

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
WAUKEE COMMUNITY SCHOOL DISTRICT
WAUKEE, IOWA

FOR THE FISCAL YEAR ENDED
JUNE 30, 2004

OFFICIAL ISSUING REPORT
R. Duane Van Gorp, RSBO
Executive Director of Administrative Services

OFFICE ISSUING REPORT
Business Office

WAUKEE COMMUNITY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
C O N T E N T S

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INTRODUCTORY SECTION

We are a District with a dedication to all students and an unwavering commitment to a quality educational program. That commitment, along with a strong sense of community, defines the work of the Board of Education for the Waukee Community School District. In a time of ongoing funding restrictions and changing financial models, achieving these goals is a significant challenge.

Our shared vision statement is “to deliver appropriate educational programs for our students, recognizing that all involved – students, teachers, and family – share in the responsibility for learning.” Honoring our vision keeps us focused on moving forward, closing any gap that may exist between our current reality and our vision. The District’s Guiding Principles and Mission Statement guide the allocation of resources to achieve our goals.

Iowa continues to fall short of fully funding the education formula for K-12 schools. In Waukee, we will continue to allocate available resources to fulfill our mission and our commitment to students.

This report is a comprehensive financial record of the District for the fiscal year ended June 30, 2003. It reflects the conditions that have enabled the Waukee Community School District to maintain a favorable and improving financial picture – even during Iowa’s conservative economic growth. Among the enabling conditions are:

- We have a highly dedicated and skilled team of teachers, staff, and administrators
- We have a highly effective Board of Education and a very supportive community
- We have a student population that makes possible many “economies of scale”
- We work in an atmosphere where everyone is encouraged to maximize their

Positive features

As you examine this report, you will see a pattern of on-going financial strength that we hope to continue during our journey into the 21st century. We welcome your questions and suggestions. We will continue to learn together to build on our success as a learning community for the future.

Respectfully Submitted,

Veronica Stalker, Ph.D.

September 20, 2004

Members of the Board of Education
Waukee Community School District
Waukee, Iowa

The Comprehensive Annual Financial Report (CAFR) for the Waukee Community School District for the fiscal year ended June 30, 2004 is submitted herewith. Responsibility for accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District Office of Administrative Services. We believe the data is accurately presented, in all material respects; that the data is presented to fairly set forth the respective financial position of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the respective changes in financial position and cash flows where applicable; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The Comprehensive Financial Annual Report is presented in three sections: introductory, financial and statistical. We encourage readers to refer to all three sections of the report. The introductory section, which is unaudited, includes this transmittal letter, a list of principal District officials, and an organizational chart. The financial section includes the management's discussion and analysis, audited basic financial statements, required supplementary information, and the combining and individual fund financial statements and schedules, as well as the independent auditor's report. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

When applicable, the District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. The District's federal expenditures were less than \$500,000 for the fiscal year ended June 30, 2004 so a Single Audit was not necessary this year.

The report includes all funds and account groups of the Waukee Community School District. The District provides a full range of services including instructional, administrative, transportation, food service, maintenance of sites and facilities, custodial, clerical, extra and co-curricular activities and athletics.

This CAFR has been prepared using the guidelines recommended by the Association of School Business Officials International (ASBO). Certificates of Excellence are awarded to school systems that have presented their CAFR to the ASBO Panel of Review for critical review and evaluation. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. The standards used in the Certificate of Excellence Program are based on generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). We will actively pursue this award through the efforts of the entire Waukee Team.

BASIS OF ACCOUNTING

The District's accounting records were maintained on a modified accrual basis for the first time in 2003-04. These accounting policies are enumerated in the notes of financial statements. All the District's funds are presented in this report and have been audited by the District's independent certified public accountants, Hunt, Kain & Associates.

The chart of accounts used by the District is in conformance with the Uniform Accounting System for Iowa Schools and Area Education Agencies issued November 1975, by the Iowa Department of Education. The chart of accounts manual is updated on an annual basis. The District is in full compliance with these requirements.

ECONOMIC CONDITION AND OUTLOOK

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook is stable. The Waukee Community School District has been and is currently the fastest growing school district in the state of Iowa and the growth projections are expected to continue. This growth has had a positive affect on employment and the District's tax base. The District has averaged an annual increase in the tax base of nearly fifteen per cent over the past 10 years. In fiscal 2004, this trend continued with the tax base increasing by 10.1%.

Based on conservative projections, this trend is expected to continue. While having a positive impact, the growth also presents significant challenges for the District. The District utilizes the optional instructional support levy at a level deemed appropriate and will need to continue a high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. These increases are expected to continue if economic conditions remain stable. In the fall of 2004, a new 250-acre retail shopping mall is due to open within the boundaries of the District and is expected to generate eighty million dollars in revenue in its first full year of operation. The schools of Dallas County passed a one-cent sales tax on all covered retail sales in the county. All the schools in Dallas County on a per pupil basis will share the revenue from this sales tax. The Waukee Community School District is the largest district in Dallas County and the percentage of total students in the county will continue to increase on an annual basis. The District will receive a larger percentage of the total sales tax, as our students as a percent of the total students in the county, will increase annually.

MAJOR INITIATIVES

Current year. During the year, the District continued to implement a ten-year plan for facilities and a three-year plan for finances. The District's rapid growth, limited resources and the need to clearly outline and prioritize site and facility needs in chronological order necessitate the plans. Specifically, the District was finalizing a 155,000 square feet, \$16.5 Million building to house 8th and 9th grade students, began the construction for a 96,000 square feet, \$11.5 Million K-5 elementary school, began construction on a 4 classroom addition at Brookview Elementary School, finalized plans and initiated construction on a \$100,000 athletic complex for the baseball and softball programs, purchased a 12 acre site to house the District warehouse, transportation and grounds departments at a cost of \$ 235,900 and purchased 20 acres of land as a future building site for \$ 564,000.

Future Considerations. The ten-year facility plan and accompanying demographic information concluded that student enrollment and tax base would continue to increase at a rapid pace. This study, along with annual enrollment projections to estimate space needs, have indicated the need for an elementary school to open in the fall of 2005 and then a fifth K-5 facility to open in the fall of 2007 or 2008. The secondary building to house 8th and 9th grade students will open in the fall of 2004. Additional space at the current high school will be necessary by the fall of 2007 and it appears that the current middle school will need additional space by the fall of 2008. Revenues from the successful local option sales tax and proceeds from the newly extended \$1.34 Physical Plant and Equipment Levy will play major roles in the financing of all the above facility projects. The District does not foresee the need to issue general obligation bonds in the immediate future, however the debt capacity can always be utilized if the need for additional funding becomes necessary.

DEBT ADMINISTRATION

The ratio of net indebtedness to assessed valuation and the amount of indebtedness per capita are useful indicators of the District's debt position. The 2004 fiscal year data shows a total outstanding indebtedness on June 30th of \$53,620,000 with a ratio of debt to 100% taxable, actual, assessed valuation of 3.92%. During FY 2004, \$2,290,000 of outstanding debt was paid and an additional \$9,175,000 of new debt issued. In the near future, as assessed valuation and District population rise and total indebtedness decrease, these economic indicators will reflect a very favorable financial position.

The above indebtedness of \$53,620,000 is a result of general obligation bonds issued August 1996, July 1997, July 1998, June 1999, April 2000, March 2001, April 2002, November 2002, May 2003 and June 2004. Capital loan notes were issued December 1995, July 1997, August 2000 and March 2001.

RISK MANAGEMENT

Waukee Community School District is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, error and omissions, injuries to employees and natural disasters. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control designed to ensure that its capital assets are protected from loss, theft or misuse and to ensure that accounting data are compiled to allow for the preparation of the basic financial statements in accordance with accounting principles generally accepted in the United State of America. The internal control is designed to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and county financial assistance, the District also is responsible for ensuring that an adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and external auditors.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, special revenue funds, Debt Service Fund, enterprise fund and capital projects funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects funds and budgeted accordingly on an annual basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by program level for all funds combined rather than at the individual fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the fiscal year s end. However, encumbrances generally are re-appropriated as part of the following year s budget.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

BASIS OF PRESENTATION

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants. In addition, the District s accounting records conform to the Uniform Accounting System for Iowa Schools, Chapter 11 of the Code of Iowa and Area Educational Agencies issued by the Department of Education, state of Iowa. The chart of accounts manual is updated annually and the District is in full compliance with these requirements.

CASH MANAGEMENT

Cash, while temporarily idle during the year, was invested in time deposits and money market accounts. Interest rates ranged from .50% to 1.86% during the year, compared to the highest rate of 2.02% for the previous year. This aspect of the District s finances has gained importance in recent years as we have sought to maximize the yield on our investments without forfeiting the use of fund balances.

OTHER INFORMATION

Independent Audit. The accounting firm of Hunt, Kain & Associates, P.C. was selected to perform the annual audit in accordance with Chapter 11 of the Code of Iowa. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor s report on the basic financial statements, combining and individual fund statements and other schedules is included in the financial section of this report.

ACKNOWLEDGEMENT

The preparation of this report on a timely basis could not have been accomplished without the effort of the accounting staff and our auditors, Hunt, Kain & Associates, P.C. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of The District in a most responsible and progressive manner.

Respectfully submitted,

Veronica Stalker, Ph.D.
Superintendent

R. Duane Van Gorp, RSBO
Executive Director of Administrative Services

WAUKEE COMMUNITY SCHOOL DISTRICT
BOARD OF EDUCATION AND ATTORNEY

Board of Education Before September 2003 Election

Embree Edgington	President	2003
Tracy Lepeltak	Vice President	2003
Russ Wiesley	Board Member	2003
Wayne Cooper	Board Member	2004
Bill Daggett	Board Member	2004
Kevin Vinchattle	Board Member	2005
Karen Oberman	Board Member	2005

Board of Education After September 2003 Election

Tracy Lepeltak	President	2006
Bill Daggett	Vice President	2004
Wayne Cooper	Board Member	2004
Kevin Vinchattle	Board Member	2005
Karen Oberman	Board Member	2005
Embree Edgington	Board Member	2006
Russ Wiesley	Board Member	2006

Board Attorney

Edgar Bittle, Ahlers & Cooney, P.C.	Attorney	Indefinite
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WAUKEE COMMUNITY SCHOOL DISTRICT

SCHOOL DISTRICT ADMINISTRATION

For the year ended June 30, 2004

Dr. Veronica Stalker
Dr. David Wilkerson
R. Duane Van Gorp, RSBO
Edie Eckles
Dr. Bruce Kimpston
Roxanne Cumings
Kathy Niblo
Bernie Van Roekel
Julie Roland
Ronald Book
Theresa Best
Eric Jones
Cherry Donovan
Brad Buck
Mike Blake
Mark Skahill
Vicki Hasty
Randy Nemitz
Peg Erke
Jason Sanders
Cindi McDonald
Deb Snider
Jim Duea
Jeannie Allgood
Jerry Roberts
Jay Oxenford
Steve Baumeister
Wayne Kischer

Superintendent of Schools
Associate Superintendent
Executive Director of Administrative Services
Director of Teaching & Learning
Coordinator of Special Projects
Director of Student Services
Secretary to the Board of Education
High School Principal
High School Dean of Students
High School Dean of Students
High School Dean of Students
High School Dean of Students
High School At Risk Coordinator
Middle School Principal
Middle School Dean of Students
Middle School Dean of Students
Middle School Dean of Students
Waukee Elementary Principal
Waukee Elementary Assistant Principal
Waukee Elementary Counselor/Dean of Students
Brookview Elementary Principal
Eason Elementary Principal
Director of Activities
Director of Food Services
Director of Facilities
Director of Grounds
Network Manager
Auditorium Manager

Consultants and Advisors

Certified Public Accountants

Hunt, Kain & Associates, P.C.
1201 High Avenue West
Oskaloosa, Iowa 52577

Bond Attorney

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

Financial Consultant

Piper Jaffrey
700 Walnut Street, Suite 1300
Des Moines, Iowa 50309-3800

General Counsel

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

Property/Casualty Insurance Agent

Insurance Associates
2501 Westown Parkway, Suite 1104
West Des Moines, Iowa 50266-1438

Benefits Insurance Broker

Marsh Advantage America
1776 West Lakes Parkway – SS2
West Des Moines, Iowa 50266

Official Depositories

Wells Fargo, Iowa
110 Highway 6
Waukee, Iowa 50263

Waukee State Bank
Warrior Lane & Highway 6
PO Box 66
Waukee, Iowa 50263

Commercial Federal Bank
5500 Westown Parkway
Suite 120
West Des Moines, Iowa 50266

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of
Waukee Community School District:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Waukee Community School District, Iowa, as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of District officials. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Waukee Community School District as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated September 20, 2004 on our consideration of Waukee Community School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and budgetary comparison information on pages 20 through 28 and 70 through 72 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Waukee Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2003 (none of which are presented herein) and expressed unqualified opinions on those financial statements. The supplementary information included in Schedules 1 through 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The statistical information listed in the table of contents is not necessary for a fair presentation of the basic financial statements, but is presented as additional analytical data. This information is unaudited and we do not express an opinion on it.

Oskaloosa, Iowa
September 20, 2004

Management's Discussion and Analysis For Fiscal Year Ended June 30, 2004

It is with great pleasure we present to you the financial picture of Waukee Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Waukee Community School District for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

The District showed an increase in net assets of \$2,321,005 during the year ended June 30, 2004.

Total governmental activities revenues for the fiscal year ended June 30, 2004 of \$27,576,192 were comprised of General Revenues in the amount of \$23,622,702 and program revenues totaling \$3,953,490.

As of June 30, 2004, unreserved, undesignated fund balance for the General Fund was \$1,181,262 or 5.592% of General Fund expenditures. The financial solvency ratio for the year ended June 30, 2004 was 5.597%, which is a decrease of .572% over the previous year. This decrease can be directly attributed to the 2.5% across the board cut in state revenues that occurred in October of 2003.

The Waukee Community School District's total long-term bonded debt increased by \$6,885,000 due to issuance of general obligation bonds approved in 2003.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Waukee Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of Waukee Community School District's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all Waukee Community School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements reflect functions of the Waukee Community School District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional services, other and interest on long-term debt. Business type activities are those that the District charges a fee to help cover the costs such as School Nutrition.

The government-wide financial statements include only Waukee Community School District. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Waukee Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Waukee Community School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service and Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 36 through 40 of this report.

Proprietary fund – The District maintains only one type of proprietary fund, the enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains two enterprise funds. Information is presented separately for the School Nutrition Fund which is considered a major fund.

The basic proprietary fund financial statements can be found on pages 41 through 44 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Waukee Community School District's own programs. The fiduciary funds of the District are agency funds. Agency funds are custodial in nature and do not involve measurement of results of operation.

The basic fiduciary fund financial statements can be found on pages 45 and 46 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Waukee Community School District's budgetary comparison. Required supplemental information for the budget can be found on pages 70 through 72 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The District's total net assets have increased from a year ago from \$6,488,984 to \$8,809,989.

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net assets invested in capital assets, net of related debt, was \$6,431,945. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 below provides a summary of the Districts net assets at June 30, 2004 compared to June 30, 2003.

Table 1
Statement of Net Assets

	Governmental Activities		Business-type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2004	2003	2004	2003	2004	2003	2003-2004
Assets							
Current and Other							
Assets	\$ 26,010,904	\$ 29,526,736	\$ 541,170	\$ 383,012	\$ 26,552,074	\$ 29,909,748	-11.2%
Capital Assets	53,948,671	38,809,712	377,917	403,898	54,326,588	39,213,610	38.5%
Total Assets	79,959,575	68,336,448	919,087	786,910	80,878,662	69,123,358	17.0%
Liabilities							
Long-term Liabilities	53,620,000	46,735,000	-	-	53,620,000	46,735,000	14.7%
Other Liabilities	18,413,548	15,860,724	33,125	38,650	18,446,673	15,899,374	16.0%
Total Liabilities	72,033,548	62,595,724	33,125	38,650	72,066,673	62,634,374	15.1%
Net Assets							
Invested in Capital							
Assets net of Debt	6,054,028	3,651,585	377,917	403,898	6,431,945	4,055,483	58.6%
Restricted	729,161	947,466	-	-	729,161	947,466	-23.0%
Unrestricted	1,140,838	1,141,673	508,045	344,362	1,648,883	1,486,035	11.0%
Total Net Assets	\$ 7,924,027	\$ 5,740,724	\$ 885,962	\$ 748,260	\$ 8,809,989	\$ 6,488,984	35.8%

The restricted portion of the District's current year net assets (8.28%) represents resources that are subject to external restrictions on how they may be used. These restrictions include \$61,180 for the Management Fund, \$433,349 for Physical Plant and Equipment and \$234,632 for other special revenue purposes. The remaining balance of unrestricted net assets, \$1,648,883 may be used to meet the government's ongoing obligations to students and creditors.

At the end of the current fiscal year, the Waukee Community School District is able to report positive balances in all three categories of net assets. The same situation held true for the prior fiscal year.

The District's total net assets increased by \$2,321,005 or 35.8% during the current fiscal year. The total invested in capital assets net of related debt increased 58.6%. The governmental activities net assets increased by \$2,183,303. The business-type activities increased by \$137,702. The increase in governmental activities net assets is mainly attributable to less than expected budgeted expenditures during a time that the District is growing dramatically and investing heavily in capital assets.

Table 2 highlights the District's revenues and expenses for the fiscal year ended June 30, 2004 as compared to the fiscal year ended June 30, 2003. These two main components are subtracted to yield the change in net assets. This table utilized the full accrual method of accounting. Revenue is further divided into two major components: Program Revenue and General Revenue. Program Revenue is defined as charges for services and sales, operating and capital grants and contributions. General Revenue includes taxes and unrestricted grants such as state foundation support.

Expenses are shown in programs including instruction, support services, non-instructional programs, other and debt service.

Table 2
Changes in Net Assets

	Governmental Activities		Business-type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2004	2003	2004	2003	2004	2003	2003-2004
Revenue:							
Program Revenues:							
Charges for services	\$ 2,018,143	\$ 1,904,692	\$ 1,214,398	\$ 1,009,353	\$ 3,232,541	\$ 2,914,045	10.9%
Operating grants and contributions	1,935,347	1,775,380	266,374	213,292	2,201,721	1,988,672	10.7%
General Revenues:							
Property and other taxes	13,672,507	12,481,271	-	-	13,672,507	12,481,271	9.5%
Local option sales tax	551,705	-	-	-	551,705	-	N/A
Unrestricted State grants	9,242,108	8,119,410	-	-	9,242,108	8,119,410	13.8%
Unrestricted investment earnings	87,440	246,574	2,967	2,401	90,407	248,975	-63.7%
Other	68,942	106,411	-	-	68,942	106,411	-35.2%
Total Revenues	27,576,192	24,633,738	1,483,739	1,225,046	29,059,931	25,858,784	12.4%
Expenses:							
Program Expenses:							
Instruction	14,226,865	12,850,667	-	-	14,226,865	12,850,667	10.7%
Support Services	6,766,317	5,366,904	-	-	6,766,317	5,366,904	26.1%
Non-Instructional Programs	369	4,768	1,346,037	1,179,897	1,346,406	1,184,665	13.7%
Other	2,195,304	1,998,691	-	-	2,195,304	1,998,691	9.8%
Debt Service	2,204,034	2,131,691	-	-	2,204,034	2,131,691	3.4%
Total Expenses	25,392,889	22,352,721	1,346,037	1,179,897	26,738,926	23,532,618	13.6%
Change in net assets	\$ 2,183,303	\$ 2,281,017	\$ 137,702	\$ 45,149	\$ 2,321,005	\$ 2,326,166	-.2%

The number of students served by the District increased by approximately 514 students which was a 16.5% increase over the prior year. This accounts for the across the board increase in revenues and expenses in both governmental activities and business-type activities. Investment earnings decreased 63.7% due to declining interest rates.

Table 3 below discloses cost of services for governmental activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid and local taxes. The difference in these two columns would represent restricted grants and services.

Table 3 - Governmental Activities

Programs	Total Cost of Services 2004	Net Cost of Services 2004
Instruction	\$ 14,226,865	\$ 11,348,279
Support Services	6,766,317	6,515,194
Non-instructional Programs	369	369
Other	2,195,304	1,371,523
Debt Service	2,204,034	2,204,034
Total Expenses	<u>\$ 25,392,889</u>	<u>\$ 21,439,399</u>

Net cost of services is 84.4% of total cost of services in 2004.

Financial Analysis of the Government's Funds

As noted earlier, the Waukee Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the Waukee Community School District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Waukee Community School District's governmental funds reported combined ending balances of \$7,794,624, a decrease of \$6,049,317 in comparison with the prior year. Approximately 15.16% of this total amount, or \$1,181,262, constitutes unreserved fund balance and is available for spending at the government's discretion. The remainder of the fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for 1) inventories \$39,845; 2) encumbrances \$729,161; 3) Debt Service \$118,999 and for 4) Capital Projects \$5,725,357.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$1,181,262 while total fund balance reached \$1,221,107. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and the total fund balance to total fund expenditures. Unreserved fund balance represents 5.59% of total General Fund expenditures.

The fund balance of the District's General Fund decreased \$17,192 during the current fiscal year. The key factor in this decrease was the approximately \$235,000 decrease in revenues as a result of the 2.5% across the board cut in state funding during the fiscal year.

The Districts other major funds include the Debt Service Fund, the Capital Projects Fund and the School Nutrition Fund. The Debt service fund balance increased \$42,112 due to accumulation of local taxes needed to make future interest payments as they come due. The Capital Projects fund balance decreased \$5,851,516 due to continuing work on construction projects. The School Nutrition net assets increased \$137,152 due to increased participation in the lunch program.

Budgetary Highlights

As allowed by GASB Statement No. 41, *Budgetary Comparison-Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. In accordance with the Code of Iowa, the Board of Education annually adopts a program budget for all funds except Private Purpose Trust and Agency Funds as described in the note to required supplementary information.

A comparison of the actual expenditures/expenses of the District's budgeted funds with the final budget amounts is as follows:

	Original	Budget Final	Actual Expenditures/ Expenses	Variance
Instruction	\$ 14,750,928	\$ 13,750,928	\$ 15,804,478	\$ (2,053,550)
Support Services	6,414,842	7,414,842	7,004,325	410,517
Non-Instructional Programs	1,255,222	1,400,000	1,369,846	30,154
Other	17,835,848	25,000,000	23,059,531	1,940,469
Totals	<u>\$ 40,256,840</u>	<u>\$ 47,565,770</u>	<u>\$ 47,238,180</u>	<u>\$ 327,590</u>

The District amended the budget once during the year in order to re-allocate some expenditures from instruction to support services, account for increased participation in the non-instructional lunch program, and allow for the costs of additional construction.

The only major actual variance was in the only functional area which was exceeded during the year. The instruction area was exceeded by \$2,053,550 due to the fact that the District switched from a cash to accrual budgeting process during the year.

Capital Assets and Debt Administration

The following table shows ending balances of capital assets invested in various categories for governmental activities. The District recognized a total net increase of \$15,138,959. Most of the increase can be attributed to the substantial completion of Prairieview School, an 8th and 9th grade facility and the beginning of the 4th elementary school, Walnut Hills. Other major projects included computer acquisitions and furniture and fixtures in the newly remodeled areas.

Table 4 - Capital Assets as of June 30 (Net of Depreciation)

	<u>2004</u>	<u>2003</u>
Land	\$ 2,707,530	\$ 1,660,621
Construction in Progress	16,467,192	3,469,448
Buildings, Improvements and Furniture and Equipment	<u>34,773,949</u>	<u>33,679,643</u>
Totals	<u>\$ 53,948,671</u>	<u>\$ 38,809,712</u>

Additional information about the District's capital assets can be found in note 5 to the basic financial statements.

Debt

As of June 30, 2004, the Waukee Community School District had general obligation and capital loan notes outstanding totaling \$53,620,000. In the current year, the District paid \$2,290,000 in principal and \$2,082,152 in interest.

Table 5 - Outstanding Debt as of June 30

	<u>2004</u>	<u>2003</u>
General Obligation Bonds	\$ 52,195,000	\$ 44,640,000
Capital Loan Notes	<u>1,425,000</u>	<u>2,095,000</u>
Totals	<u>\$ 53,620,000</u>	<u>\$ 46,735,000</u>

As of June 30, 2004, the District's available debt margin was \$68,377,680.

Additional information about the District's long-term debt can be found in note 6 to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

The District is located in the central part of the state, approximately 15 miles west of the city of Des Moines. The District ranks as one of the top growth areas of the country and is the fastest growing school district in the State of Iowa. The September 2003 student enrollment increased 540 students over the previous year and experienced the largest kindergarten class in the District's history. The economic condition and outlook of the District is one of great optimism. Total assessed value in the District has increased over one billion dollars since the 1994-95 fiscal year. The taxable assessed value has increased 304% since 1994. For the current fiscal year, taxable assessed value in the District increased \$80,895,396 or 10.1%.

Based on conservative estimates this trend is expected to continue and probably accelerate in the immediate future. The eastern portions of Dallas County are experiencing tremendous growth in both residential and commercial development. The collection of the Dallas County local option sales tax, a one cent tax on all covered retail sales began in January of 2004 and will conservatively generate between \$2,000,000 and \$4,000,000 annually. This one-cent sales tax will continue through December of 2014.

This tremendous growth, while having a positive impact, also presents significant challenges for the District. The District is utilizing the optional instructional support levy to its fullest and will need to continue its high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. Dallas County is among the top 6% of growth counties in the country. These increases are projected to continue if economic conditions remain favorable.

The past year saw the State of Iowa's economic downturn begin to turn in a positive direction. Revenue projections at the state level increased for the first time in two years. While the District faced reductions in funding for state aid and other state-funded programs in the current fiscal year, the future looks brighter with the 2004 legislature setting allowable growth for the 2005-06 fiscal year at 4%. This is the first increase in allowable growth in quite some time. We are cautiously optimistic about the State of Iowa's financial outlook. As the national economy begins to strengthen, state revenues usually follow the same upward direction.

Requests for Information

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write Mr. R. Duane Van Gorp, Executive Director of Administrative Services, Waukee Community School District, 560 S.E. University Avenue, Waukee, Iowa, 50263.

Basic Financial Statements

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

June 30, 2004

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and pooled investments	\$ 11,201,547	\$ 517,125	\$ 11,718,672
Receivables:			
Property tax:			
Current year	40,539	-	40,539
Succeeding year	14,388,453	-	14,388,453
Accrued interest	1,840	-	1,840
Accounts	1,373	1,191	2,564
Due from other governments	337,307	5,069	342,376
Inventories	39,845	17,785	57,630
Capital assets, net of accumulated depreciation (note 5)	53,948,671	377,917	54,326,588
Total assets	79,959,575	919,087	80,878,662
Liabilities			
Accounts payable	1,817,490	9,448	1,826,938
Salaries and benefits payable	2,010,337	5,376	2,015,713
Accrued interest payable	199,268	-	199,268
Deferred revenue:			
Succeeding year property tax	14,388,453	-	14,388,453
Other	-	18,301	18,301
Long-term liabilities (note 6):			
Portion due within one year:			
Bonds payable	1,700,000	-	1,700,000
Notes payable	695,000	-	695,000
Portion due after one year:			
Bonds payable	50,495,000	-	50,495,000
Notes payable	730,000	-	730,000
Total liabilities	72,035,548	33,125	72,068,673

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

June 30, 2004

	Governmental Activities	Business-type Activities	Total
Net Assets			
Invested in capital assets, net of related debt	\$ 6,054,028	\$ 377,917	\$ 6,431,945
Restricted for:			
Management levy	61,180	-	61,180
Physical plant and equipment levy	433,349	-	433,349
Other special revenue purposes	234,632	-	234,632
Unrestricted	1,140,838	508,045	1,648,883
Total net assets	\$ <u>7,924,027</u>	\$ <u>885,962</u>	\$ <u>8,809,989</u>

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2004

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Governmental Activities:				
Instruction:				
Regular instruction	\$ 10,116,921	\$ 1,170,717	\$ 757,582	\$ -
Special instruction	2,679,025	229,296	186,222	-
Other instruction	1,430,919	527,002	7,767	-
	<u>14,226,865</u>	<u>1,927,015</u>	<u>951,571</u>	<u>-</u>
Support services:				
Student services	983,107	20,825	18,486	-
Instructional staff services	1,322,403	4,079	63,624	-
Administration services	1,973,475	-	-	-
Operation and maintenance of plant services	1,601,989	32,180	-	-
Transportation services	885,343	34,044	77,885	-
	<u>6,766,317</u>	<u>91,128</u>	<u>159,995</u>	<u>-</u>
Non-instructional programs	<u>369</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other expenditures:				
Facilities acquisition	506,844	-	-	-
Debt service - Interest	2,107,904	-	-	-
Debt service - Fiscal charges	96,130	-	-	-
AEA flowthrough	823,781	-	823,781	-
Depreciation (unallocated) *	864,679	-	-	-
	<u>4,399,338</u>	<u>-</u>	<u>823,781</u>	<u>-</u>
Total governmental activities	25,392,889	2,018,143	1,935,347	-
Business-Type Activities:				
Non-instructional programs:				
Food service operations	1,346,037	1,213,848	266,374	-
Other programs	-	550	-	-
Total business-type activities	<u>1,346,037</u>	<u>1,214,398</u>	<u>266,374</u>	<u>-</u>
Total	\$ 26,738,926	\$ 3,232,541	\$ 2,201,721	\$ -

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (8,188,622)	\$ -	\$ (8,188,622)
(2,263,507)	-	(2,263,507)
(896,150)	-	(896,150)
(11,348,279)	-	(11,348,279)
(943,796)	-	(943,796)
(1,254,700)	-	(1,254,700)
(1,973,475)	-	(1,973,475)
(1,569,809)	-	(1,569,809)
(773,414)	-	(773,414)
(6,515,194)	-	(6,515,194)
(369)	-	(369)
(506,844)	-	(506,844)
(2,107,904)	-	(2,107,904)
(96,130)	-	(96,130)
-	-	-
(864,679)	-	(864,679)
(3,575,557)	-	(3,575,557)
(21,439,399)	-	(21,439,399)
-	134,185	134,185
-	550	550
-	134,735	134,735
(21,439,399)	134,735	(21,304,664)

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

Functions/Programs

General Revenues:

Property tax levied for:

General purposes

Debt service

Capital outlay

Local option sales and services tax

Unrestricted state grants

Unrestricted investment earnings

Other

Total general revenues

Change in net assets

Net assets beginning of year, as restated (note 11)

Net assets end of year

* = This amount excludes the depreciation that is included
in the direct expense of the various programs.

See notes to financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ 8,531,376	\$ -	\$ 8,531,376
3,640,006	-	3,640,006
1,501,125	-	1,501,125
551,705	-	551,705
9,242,108	-	9,242,108
87,440	2,967	90,407
68,942	-	68,942
23,622,702	2,967	23,625,669
2,183,303	137,702	2,321,005
5,740,724	748,260	6,488,984
<u>\$ 7,924,027</u>	<u>\$ 885,962</u>	<u>\$ 8,809,989</u>

WAUKEE COMMUNITY SCHOOL DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2004

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and pooled investments	\$ 3,292,509	\$ 109,475	\$ 7,035,305	\$ 764,258	\$ 11,201,547
Receivables:					
Property tax:					
Current year	26,516	9,524	-	4,499	40,539
Succeeding year	8,993,563	3,627,409	-	1,767,481	14,388,453
Accrued interest	1,840	-	-	-	1,840
Interfund receivable (note 4)	3,890	-	-	-	3,890
Accounts	987	-	-	386	1,373
Due from other governments	149,868	-	187,439	-	337,307
Inventories	39,845	-	-	-	39,845
Total assets	<u>\$ 12,509,018</u>	<u>\$ 3,746,408</u>	<u>\$ 7,222,744</u>	<u>\$ 2,536,624</u>	<u>\$ 26,014,794</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 284,011	\$ -	\$ 1,497,387	\$ 36,092	\$ 1,817,490
Salaries and benefits payable	2,010,337	-	-	-	2,010,337
Interfund payable (note 4)	-	-	-	3,890	3,890
Deferred revenue:					
Succeeding year property tax	8,993,563	3,627,409	-	1,767,481	14,388,453
Total liabilities	<u>11,287,911</u>	<u>3,627,409</u>	<u>1,497,387</u>	<u>1,807,463</u>	<u>18,220,170</u>
Fund balance:					
Reserved for:					
Inventories	39,845	-	-	-	39,845
Debt service	-	118,999	-	-	118,999
Unreserved:					
Reported in nonmajor Special					
Revenue Funds	-	-	-	729,161	729,161
Designated for Capital					
Projects	-	-	5,725,357	-	5,725,357
Undesignated	1,181,262	-	-	-	1,181,262
Total fund balances	<u>1,221,107</u>	<u>118,999</u>	<u>5,725,357</u>	<u>729,161</u>	<u>7,794,624</u>
Total liabilities and fund balances	<u>\$ 12,509,018</u>	<u>\$ 3,746,408</u>	<u>\$ 7,222,744</u>	<u>\$ 2,536,624</u>	<u>\$ 26,014,794</u>

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2004

Total fund balances of governmental funds	\$ 7,794,624
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	53,948,671
Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(199,268)
Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	<u>(53,620,000)</u>
Net assets of governmental activities	<u>\$ 7,924,027</u>
See notes to financial statements	

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
Revenues:					
Local sources:					
Local tax	\$ 8,349,264	\$ 3,639,048	\$ 551,705	\$ 1,680,436	\$ 14,220,453
Tuition	1,258,916	-	-	-	1,258,916
Other	311,630	8,730	58,083	535,868	914,311
State sources	10,925,564	958	-	446	10,926,968
Federal sources	254,243	-	-	-	254,243
Total revenues	21,099,617	3,648,736	609,788	2,216,750	27,574,891
Expenditures:					
Current:					
Instruction:					
Regular instruction	9,923,667	-	-	150,394	10,074,061
Special instruction	2,679,023	-	-	-	2,679,023
Other instruction	998,723	-	-	445,047	1,443,770
	13,601,413	-	-	595,441	14,196,854
Support services:					
Student services	975,816	-	-	7,292	983,108
Instructional staff services	1,325,695	-	-	5,833	1,331,528
Administration services	1,947,298	-	-	18,053	1,965,351
Operation and maintenance of plant services	1,572,701	-	-	11,588	1,584,289
Transportation services	874,909	-	-	-	874,909
	6,696,419	-	-	42,766	6,739,185
Non-instructional programs	369	-	-	-	369
Other expenditures:					
Capital outlay:					
Facilities acquisition	-	-	15,544,074	1,023,550	16,567,624
Debt service:					
Principal	-	2,290,000	-	-	2,290,000
Interest	-	2,082,149	-	-	2,082,149
Fiscal charges	-	3,900	92,230	-	96,130
AEA flowthrough	823,781	-	-	-	823,781
	823,781	4,376,049	15,636,304	1,023,550	21,859,684
Total expenditures	21,121,982	4,376,049	15,636,304	1,661,757	42,796,092
Excess (deficiency) of revenues over (under) expenditures	(22,365)	(727,313)	(15,026,516)	554,993	(15,221,201)

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total
Other financing sources (uses):					
Sale of equipment	\$ 1,300	\$ -	\$ -	\$ -	1,300
Interfund transfers in	5,000	769,425	-	1,127	775,552
Interfund transfers out	(1,127)	-	-	(774,425)	(775,552)
General obligation bonds issued	-	-	9,175,000	-	9,175,000
Total other financing sources (uses)	5,173	769,425	9,175,000	(773,298)	9,176,300
Net change in fund balances	(17,192)	42,112	(5,851,516)	(218,305)	(6,044,901)
Fund balances beginning of year, as restated (note 11)	1,238,299	76,887	11,576,873	947,466	13,839,525
Fund balances end of year	\$ <u>1,221,107</u>	\$ <u>118,999</u>	\$ <u>5,725,357</u>	\$ <u>729,161</u>	\$ <u>7,794,624</u>

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

Net change in fund balances - total governmental funds \$ (6,044,901)

Amounts reported for governmental activities in the statement of activities
are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the statement of net assets and are allocated over their estimated useful lives as depreciation expense in the statement of activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Capital outlays	\$ 16,095,655	
Depreciation expense	<u>(956,696)</u>	15,138,959

Repayment of long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets. 2,290,000

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. (25,755)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds but increase long-term liabilities in the statement of net assets and do not affect the statement of activities. (9,175,000)

Change in net assets of governmental activities \$ 2,183,303

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

June 30, 2004

	School Nutrition	Nonmajor Daycare	Total
Assets			
Cash and cash equivalents	\$ 516,575	\$ 550	\$ 517,125
Accounts receivable	1,191	-	1,191
Due from other governments	5,069	-	5,069
Inventories	17,785	-	17,785
Capital assets, net of accumulated depreciation	377,917	-	377,917
Total assets	<u>918,537</u>	<u>550</u>	<u>919,087</u>
Liabilities			
Accounts payable	9,448	-	9,448
Salaries and benefits payable	5,376	-	5,376
Deferred revenue	18,301	-	18,301
Total liabilities	<u>33,125</u>	<u>-</u>	<u>33,125</u>
Net Assets			
Invested in capital assets, net of related debt	377,917	-	377,917
Unrestricted	<u>507,495</u>	<u>550</u>	<u>508,045</u>
Total net assets	<u>\$ 885,412</u>	<u>\$ 550</u>	<u>\$ 885,962</u>

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
Year Ended June 30, 2004

	<u>School Nutrition</u>	<u>Nonmajor Daycare</u>	<u>Total</u>
Operating revenues:			
Local sources:			
Charges for services	\$ 1,213,848	\$ 550	\$ 1,214,398
Operating expenses:			
Non-instructional programs:			
Food service operations:			
Salaries	475,913	-	475,913
Benefits	118,266	-	118,266
Purchased services	27,046	-	27,046
Supplies	660,717	-	660,717
Small equipment	2,971	-	2,971
Depreciation	59,587	-	59,587
Other	1,537	-	1,537
	<u>1,346,037</u>	<u>-</u>	<u>1,346,037</u>
Operating income (loss)	(132,189)	550	(131,639)
Non-operating revenues:			
Interest on investments	2,967	-	2,967
State sources	14,697	-	14,697
Federal sources	251,677	-	251,677
Total non-operating revenues	<u>269,341</u>	<u>-</u>	<u>269,341</u>
Change in net assets	137,152	550	137,702
Net assets beginning of year	<u>748,260</u>	<u>-</u>	<u>748,260</u>
Net assets end of year	<u>\$ 885,412</u>	<u>\$ 550</u>	<u>\$ 885,962</u>

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2004

	School Nutrition	Nonmajor Daycare	Total
Cash flows from operating activities:			
Cash received from sale of lunches and breakfasts	\$ 1,060,817	\$ -	\$ 1,060,817
Cash received from miscellaneous operating activities	169,345	550	169,895
Cash payments to employees for services	(596,605)	-	(596,605)
Cash payments to suppliers for goods or services	(641,540)	-	(641,540)
Net cash provided by (used in) operating activities	<u>(7,983)</u>	<u>550</u>	<u>(7,433)</u>
Cash flows from non-capital financing activities:			
State grants received	14,697	-	14,697
Federal grants received	198,651	-	198,651
Net cash provided by non-capital financing activities	<u>213,348</u>	<u>-</u>	<u>213,348</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	<u>(33,606)</u>	<u>-</u>	<u>(33,606)</u>
Cash flows from investing activities:			
Interest on investments	<u>2,967</u>	<u>-</u>	<u>2,967</u>
Net increase in cash and cash equivalents	174,726	550	175,276
Cash and cash equivalents beginning of year	<u>341,849</u>	<u>-</u>	<u>341,849</u>
Cash and cash equivalents end of year	<u>\$ 516,575</u>	<u>\$ 550</u>	<u>\$ 517,125</u>

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended June 30, 2004

	<u>School Nutrition</u>	<u>Nonmajor Daycare</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (132,189)	\$ 550	\$ (131,639)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	59,587	-	59,587
Commodities used	53,026	-	53,026
(Increase) in accounts receivable	(1,191)	-	(1,191)
Decrease in due from other governments	14,414	-	14,414
Decrease in inventories	3,895	-	3,895
(Decrease) in accounts payable	(6,190)	-	(6,190)
(Decrease) in salaries and benefits payable	(2,426)	-	(2,426)
Increase in deferred revenues	3,091	-	3,091
Net cash provided by (used in) operating activities	\$ <u>(7,983)</u>	\$ <u>550</u>	\$ <u>(7,433)</u>

Non-cash investing, capital and financing activities:

During the year ended June 30, 2004, the District received \$53,026 of federal commodities.

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

June 30, 2004

	Private Purpose	
	<u>Trust</u>	
	<u>Scholarship</u>	<u>Agency</u>
Assets:		
Cash and pooled investments	\$ 161,600	\$ 26,950
Accounts receivable	-	206
	<u>161,600</u>	<u>27,156</u>
Total assets		
	<u>161,600</u>	<u>\$ 27,156</u>
Liabilities:		
Accounts payable	-	\$ 106
Other payables	-	27,050
	<u>-</u>	<u>27,156</u>
Total liabilities		
	<u>-</u>	<u>\$ 27,156</u>
Net assets:		
Reserved for scholarships - principal	155,000	
Reserved for scholarships - earnings	<u>6,600</u>	
	<u>161,600</u>	
Total net assets		
	<u>\$ 161,600</u>	

See notes to financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year Ended June 30, 2004

	<u>Private Purpose Trust</u>	<u>Scholarship</u>
Additions:		
Local sources:		
Contributions and donations	\$ 75,000	
Interest	<u>5,274</u>	
Total additions	<u>80,274</u>	
Deductions:		
Support services:		
Scholarships awarded		<u>3,176</u>
Change in net assets	77,098	
Net assets beginning of year		<u>84,502</u>
Net assets end of year	\$ <u>161,600</u>	
See notes to financial statements.		

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies

Waukee Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the City of Waukee, Iowa, as well as portions of the Cities of West Des Moines, Clive, and Urbandale and the agricultural territory in Dallas County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Waukee Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the District. Waukee Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

District-wide Financial Statements – The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The statement of net assets presents the District's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management which can be removed or modified.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds.

The District reports the following major governmental funds:

The General Fund is the main operating fund of the District. All general tax revenues and other revenues that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenses, including instructional, support and other costs.

The Debt Service Fund is utilized to account for the payment of interest and principal on the District's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities.

The District reports the following major proprietary fund:

The Enterprise, School Nutrition Fund is used to account for the food service operations of the District.

The District also reports fiduciary funds which focus on net assets and changes in net assets. The District's fiduciary funds include the following:

The Private Purpose Trust Fund is used to account for assets held by the District under trust agreements with restrictions of income earned to be used to benefit individuals through scholarship awards.

The Agency Fund is used to account for assets held by the District as an agent for individuals, private organizations and other governments. The Agency Fund is custodial in nature, assets equal liabilities, and does not involve measurement of results of operations.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

All proprietary funds of the District apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the modified accrual basis.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the balance sheet:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in Governmental Funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education to the County Board of Supervisors. Current year property tax receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget to the County Auditor by April 15 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the District-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

The property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1 ½% per month penalty for delinquent payments; is based on January 1, 2002 assessed property valuations; is for the tax accrual period July 1, 2003 through June 30, 2004 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2003.

Due From Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and contributed value for government commodities. Inventories of governmental and proprietary funds are recorded as expenses when consumed rather than when purchased or received.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Capital Assets – Capital assets, which include property, furniture, and equipment are reported in the applicable governmental or business-type activities columns in the District-wide statement of net assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Land	\$ 2,500
Buildings	2,500
Improvements other than buildings	2,500
Furniture and equipment:	
School Nutrition Fund Equipment	500
Other furniture and equipment	2,500

Capital assets are depreciated using the straight line method of depreciation over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	50 years
Improvements other than buildings	20 years
Furniture and equipment	5-20 years

Salaries and Benefits Payable – Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of unspent grant proceeds, the succeeding year property tax receivable and other receivables not collected within sixty days after year end.

Deferred revenue in the statement of net assets consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Fund Equity (continued)

Long-term Liabilities – In the District-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the statement of net assets.

Fund Balances – In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Invested in capital assets, net of related debt – In the District-wide statement of net assets, the net asset balance invested in capital assets, net of related debt is equal to the capital assets balances, including restricted capital assets, less accumulated depreciation and the outstanding balances of any bonds, notes, or other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets – In the District-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

E. Budgets and Budgetary Control

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2004, expenditures in the instruction functional area exceeded the amount budgeted.

Note 2. Cash and Pooled Investments

As of June 30, 2004 the carrying amount of the District's bank deposits and pooled investments totaled \$11,907,222 with actual bank balances of \$1,782,355 and investment balances of \$10,425,722. Of the bank balances, \$200,000 was covered by federal depository insurance and \$1,582,355 was collateralized by the state sinking fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 2. Cash and Pooled Investments (continued)

The District's investments at June 30, 2004 are as follows:

<u>Type</u>	<u>Risk Category</u>	<u>Amortized Cost/ Fair Value</u>
Iowa Schools Joint Investment Trust	-	\$ 10,269,121
Money Market funds	3	6,601
Negotiable Certificates of Deposit	3	<u>150,000</u>
		<u>\$ 10,425,722</u>

The District's investment in the Iowa Schools Joint Investment Trust is valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. Governmental Accounting Standards Board Statement No. 3 requires investments to be categorized to give an indication of the level of risk assumed by the District at year end. The District's investment in the Iowa Schools Joint Investment Trust is not subject to risk categorization. The negotiable certificates of deposit and money market funds are stated at fair value and are classified as risk category 3 which are investments that are uninsured and uncollateralized.

Note 3. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2004 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
Major Funds:	Nonmajor Fund:	
Debt Service	Special Revenue:	
	Physical Plant and Equipment Levy	\$ 769,425
General	Physical Plant and Equipment Levy	5,000
Nonmajor Fund:		
Special Revenue:	Major Funds:	
Student Activity	General	<u>1,127</u>
Total		<u>\$ 775,552</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 4. Interfund Receivables and Payables

At June 30, 2004, the interfund receivables and payables consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Fund:	Nonmajor Fund:	
General	Special Revenue:	
	Student Activity	\$ <u>3,890</u>

The interfund receivable balances are due to timing differences involved in the reimbursement of Student Activity Fund payroll at year end to the General Fund. These balances have been eliminated on the face of the government-wide statement of net assets.

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2004 is as follows:

	<u>Balance Beginning of Year, as Restated (note 11)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance End of Year</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,660,621	\$ 1,046,909	\$ -	\$ 2,707,530
Construction in progress	3,469,448	13,039,012	41,268	16,467,192
Total capital assets not being depreciated	<u>5,130,069</u>	<u>14,085,921</u>	<u>41,268</u>	<u>19,174,722</u>
Capital assets being depreciated:				
Buildings	37,251,116	1,759,158	-	39,010,274
Improvements other than buildings	1,936,170	102,086	-	2,038,256
Furniture and equipment	1,240,897	189,758	79,916	1,350,739
Total capital assets being depreciated	<u>40,428,183</u>	<u>2,051,002</u>	<u>79,916</u>	<u>42,399,269</u>
Less accumulated depreciation for:				
Buildings	5,185,596	761,764	-	5,947,360
Improvements other than buildings	944,180	71,731	-	1,015,911
Furniture and equipment	618,764	123,201	79,916	662,049
Total accumulated depreciation	<u>6,748,540</u>	<u>956,696</u>	<u>79,916</u>	<u>7,625,320</u>
Total capital assets being depreciated, net	<u>33,679,643</u>	<u>1,094,306</u>	<u>-</u>	<u>34,773,949</u>
Governmental activities capital assets, net	<u>\$ 38,809,712</u>	<u>\$ 15,180,227</u>	<u>\$ 41,268</u>	<u>\$ 53,948,671</u>

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 5. Capital Assets (continued)

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Business-type activities:				
Furniture and equipment	\$ 681,443	\$ 33,606	\$ -	\$ 715,049
Less accumulated depreciation	<u>277,545</u>	<u>59,587</u>	<u>-</u>	<u>337,132</u>
Business-type activities capital assets, net	<u>\$ 403,898</u>	<u>\$ (25,981)</u>	<u>\$ -</u>	<u>\$ 377,917</u>

Depreciation expense was charged by the District to the following functions:

Governmental activities:

Instruction:

Regular \$ 49,059

Support services:

Administration 14,824

Operation and maintenance of plant services 17,699

Transportation 10,435

92,017

Unallocated depreciation 864,679

Total governmental activities depreciation expense \$ 956,696

Business-type activities:

Food service operations \$ 59,587

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2004 is as follows:

	General Obligation Bonds	Capital Loan Notes	Total
Balance beginning of year	\$ 44,640,000	\$ 2,095,000	\$ 46,735,000
Additions	9,175,000	-	9,175,000
Reductions	1,620,000	670,000	2,290,000
Balance end of year	<u>\$ 52,195,000</u>	<u>\$ 1,425,000</u>	<u>\$ 53,620,000</u>
Due within one year	<u>\$ 1,700,000</u>	<u>\$ 695,000</u>	<u>\$ 2,395,000</u>

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable

Details of the District's June 30, 2004 general obligation bonded indebtedness are as follows:

Year Ending June 30,	August 1, 1996 Issue			
	Interest Rates	Principal	Interest	Total
2005	5.00 %	\$ 360,000	\$ 346,470	\$ 706,470
2006	5.10	385,000	328,470	713,470
2007	5.20	425,000	308,835	733,835
2008	5.30	450,000	286,735	736,735
2009	5.40	450,000	262,885	712,885
2010	5.50	440,000	238,585	678,585
2011	5.60	505,000	214,385	719,385
2012	5.60	510,000	186,105	696,105
2013	5.60	630,000	157,545	787,545
2014	5.70	665,000	122,265	787,265
2015	5.70	720,000	84,360	804,360
2016	5.70	760,000	43,320	803,320
Subtotal		6,300,000	2,579,960	8,879,960

Year Ending June 30,	July 1, 1997 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.70 %	\$ 90,000	\$ 92,278	\$ 182,278
2006	4.75	100,000	88,048	188,048
2007	4.80	100,000	83,298	183,298
2008	4.90	105,000	78,498	183,498
2009	5.00	115,000	73,352	188,352
2010	5.10	120,000	67,602	187,602
2011	5.15	130,000	61,482	191,482
2012	5.20	150,000	54,788	204,788
2013	5.25	150,000	46,988	196,988
2014	5.25	165,000	39,112	204,112
2015	5.25	190,000	30,450	220,450
2016	5.25	190,000	20,475	210,475
2017	5.25	200,000	10,500	210,500
Subtotal		1,805,000	746,871	2,551,871

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	July 1, 1998 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.50 %	\$ 105,000	\$ 132,655	\$ 237,655
2006	4.50	100,000	127,930	227,930
2007	4.50	115,000	123,430	238,430
2008	4.50	115,000	118,255	233,255
2009	4.50	120,000	113,080	233,080
2010	4.55	125,000	107,680	232,680
2011	4.60	115,000	101,992	216,992
2012	4.65	115,000	96,702	211,702
2013	4.65	205,000	91,355	296,355
2014	4.70	230,000	81,822	311,822
2015	4.75	360,000	71,012	431,012
2016	4.75	390,000	53,912	443,912
2017	4.75	260,000	35,388	295,388
2018	4.75	485,000	23,038	508,038
Subtotal		2,840,000	1,278,251	4,118,251

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	June 1, 1999 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.00 %	\$ 50,000	\$ 167,155	\$ 217,155
2006	4.10	50,000	165,155	215,155
2007	4.20	50,000	163,105	213,105
2008	4.30	50,000	161,005	211,005
2009	4.40	50,000	158,855	208,855
2010	4.40	50,000	156,655	206,655
2011	4.50	50,000	154,455	204,455
2012	4.50	80,000	152,205	232,205
2013	4.60	375,000	148,605	523,605
2014	4.65	375,000	131,355	506,355
2015	4.70	375,000	113,918	488,918
2016	4.75	375,000	96,292	471,292
2017	4.80	530,000	78,480	608,480
2018	4.80	530,000	53,040	583,040
2019	4.80	575,000	27,600	602,600
Subtotal		3,565,000	1,927,880	5,492,880

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	May 1, 2000 Issue			
	Interest Rates	Principal	Interest	Total
2005	5.100 %	\$ 70,000	\$ 237,610	\$ 307,610
2006	5.100	80,000	234,040	314,040
2007	5.100	90,000	229,960	319,960
2008	5.100	100,000	225,370	325,370
2009	5.100	105,000	220,270	325,270
2010	5.100	125,000	214,915	339,915
2011	5.100	135,000	208,540	343,540
2012	5.125	110,000	201,655	311,655
2013	5.200	290,000	196,018	486,018
2014	5.250	305,000	180,937	485,937
2015	5.300	190,000	164,925	354,925
2016	5.400	220,000	154,855	374,855
2017	5.400	850,000	142,975	992,975
2018	5.500	860,000	97,075	957,075
2019	5.500	905,000	49,775	954,775
Subtotal		4,435,000	2,758,920	7,193,920

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	March 1, 2001 Issue			
	Interest Rates	Principal	Interest	Total
2005	3.95 %	\$ 100,000	\$ 139,985	\$ 239,985
2006	4.00	110,000	136,035	246,035
2007	4.10	115,000	131,635	246,635
2008	4.20	120,000	126,920	246,920
2009	4.30	125,000	121,880	246,880
2010	4.40	130,000	116,505	246,505
2011	4.50	135,000	110,785	245,785
2012	4.60	140,000	104,710	244,710
2013	4.70	145,000	98,270	243,270
2014	4.80	150,000	91,455	241,455
2015	4.85	155,000	84,255	239,255
2016	4.90	160,000	76,738	236,738
2017	4.95	205,000	68,898	273,898
2018	5.00	215,000	58,750	273,750
2019	5.00	415,000	48,000	463,000
2020	5.00	545,000	27,250	572,250
Subtotal		2,965,000	1,542,071	4,507,071

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	April 1, 2002 Issue			
	Interest Rates	Principal	Interest	Total
2005	3.000 %	\$ 155,000	\$ 286,521	\$ 441,521
2006	3.250	180,000	281,871	461,871
2007	3.500	185,000	276,021	461,021
2008	3.750	190,000	269,546	459,546
2009	4.000	195,000	262,421	457,421
2010	4.000	200,000	254,621	454,621
2011	4.050	210,000	246,621	456,621
2012	4.150	220,000	238,116	458,116
2013	4.250	230,000	228,986	458,986
2014	4.300	240,000	219,211	459,211
2015	4.400	250,000	208,892	458,892
2016	4.500	260,000	197,891	457,891
2017	4.600	435,000	186,191	621,191
2018	4.625	515,000	166,181	681,181
2019	4.700	750,000	142,363	892,363
2020	4.750	1,050,000	107,113	1,157,113
2021	4.750	1,205,000	57,238	1,262,238
Subtotal		6,470,000	3,629,804	10,099,804

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	November 15, 2002 Issue			
	Interest Rates	Principal	Interest	Total
2005	2.50 %	\$ 530,000	\$ 192,650	\$ 722,650
2006	2.50	540,000	179,400	719,400
2007	2.75	530,000	165,900	695,900
2008	3.00	550,000	151,325	701,325
2009	3.00	595,000	134,825	729,825
2010	3.25	640,000	116,975	756,975
2011	3.30	640,000	96,175	736,175
2012	3.40	680,000	75,055	755,055
2013	3.60	100,000	51,935	151,935
2014	3.80	105,000	48,335	153,335
2015	4.00	110,000	44,345	154,345
2016	4.00	115,000	39,945	154,945
2017	4.10	120,000	35,345	155,345
2018	4.20	125,000	30,425	155,425
2019	4.30	130,000	25,175	155,175
2020	4.40	140,000	19,585	159,585
2021	4.50	145,000	13,425	158,425
2022	4.60	150,000	6,900	156,900
Subtotal		5,945,000	1,427,720	7,372,720

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	June 1, 2003 Issue			
	Interest Rates	Principal	Interest	Total
2005	2.00 %	\$ 155,000	\$ 332,133	\$ 487,133
2006	2.00	105,000	329,033	434,033
2007	2.25	105,000	326,933	431,933
2008	2.50	105,000	324,570	429,570
2009	2.75	105,000	321,945	426,945
2010	3.00	110,000	319,058	429,058
2011	3.00	110,000	315,758	425,758
2012	3.10	120,000	312,458	432,458
2013	3.25	100,000	308,738	408,738
2014	3.35	100,000	305,488	405,488
2015	3.45	100,000	302,138	402,138
2016	3.55	105,000	298,688	403,688
2017	3.65	105,000	294,960	399,960
2018	3.75	110,000	291,128	401,128
2019	3.85	205,000	287,003	492,003
2020	3.90	1,200,000	279,110	1,479,110
2021	4.00	1,730,000	232,310	1,962,310
2022	4.00	1,915,000	163,110	2,078,110
2023	4.10	2,110,000	86,510	2,196,510
Subtotal		8,695,000	5,431,071	14,126,071

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Bonds Payable (continued)

Year Ending June 30,	June 1, 2004 Issue			
	Interest Rates	Principal	Interest	Total
2005	3.00 %	\$ 85,000	\$ 396,550	\$ 481,550
2006	3.50	110,000	394,000	504,000
2007	3.50	110,000	390,150	500,150
2008	3.50	105,000	386,300	491,300
2009	3.50	110,000	382,625	492,625
2010	3.50	115,000	378,775	493,775
2011	3.50	110,000	374,750	484,750
2012	4.00	105,000	370,900	475,900
2013	4.00	100,000	366,700	466,700
2014	4.00	105,000	362,700	467,700
2015	3.80	110,000	358,500	468,500
2016	3.90	115,000	354,320	469,320
2017	4.00	110,000	349,835	459,835
2018	4.10	115,000	345,435	460,435
2019	4.15	120,000	340,720	460,720
2020	4.30	315,000	335,740	650,740
2021	4.40	315,000	322,195	637,195
2022	4.40	1,480,000	308,335	1,788,335
2023	4.40	1,585,000	243,215	1,828,215
2024	4.50	3,855,000	173,475	4,028,475
Subtotal		9,175,000	6,935,220	16,110,220
Total		\$ 52,195,000	\$ 28,257,768	\$ 80,452,768

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 6. Long-Term Liabilities (continued)

Capital Loan Notes

Details of the District's June 30, 2004 capital loan note indebtedness are as follows:

Year Ending June 30,	December 1, 1995 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.40 %	\$ 160,000	\$ 14,690	\$ 174,690
2006	4.50	170,000	7,650	177,650
Subtotal		330,000	22,340	352,340
Year Ending June 30,	July 1, 1997 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.80 %	\$ 30,000	\$ 2,895	\$ 32,895
2006	4.85	30,000	1,455	31,455
Subtotal		60,000	4,350	64,350
Year Ending June 30,	August 1, 2000 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.90 %	\$ 445,000	\$ 44,590	\$ 489,590
2006	4.90	465,000	22,785	487,785
Subtotal		910,000	67,375	977,375
Year Ending June 30,	March 1, 2001 Issue			
	Interest Rates	Principal	Interest	Total
2005	4.00 %	\$ 60,000	\$ 5,033	\$ 65,033
2006	4.05	65,000	2,633	67,633
Subtotal		125,000	7,666	132,666
Total		\$ 1,425,000	\$ 101,731	\$ 1,526,731

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 7. Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary and the District is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by State statute. The District's contributions to IPERS for the years ended June 30, 2004, 2003, and 2002 were \$755,371, \$655,911, and \$582,831 respectively, equal to the required contributions for each year.

Note 8. Risk Management

Waukee Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from coverage in the prior year.

Note 9. Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$823,781 for the year ended June 30, 2004 and is recorded in the General Fund.

Note 10. Construction Commitments

The District entered into various contracts totaling \$24,832,584 for construction of an 8/9 school building and an elementary school building. At June 30, 2004 \$13,912,659 of the contracts were completed. The remaining amounts of the contracts will be paid as work on the projects progresses.

Note 11. Restatement of Beginning Balances

The beginning balance of the Teacher Pop Fund has been reclassified from the General Fund to an Agency Fund to properly reflect the nature of the fund as shown below:

	General Fund	Agency Fund
Beginning fund balance, or total assets, as previously reported	\$ 1,242,715	\$ 14,558
Amount reclassified to Agency Fund	<u>(4,416)</u>	<u>4,416</u>
Beginning fund balance, or total assets, as restated	<u><u>\$ 1,238,299</u></u>	<u><u>\$ 18,974</u></u>

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

Note 11. Restatement of Beginning Balances (continued)

The following beginning balances have been restated to properly reflect the cost and accumulated depreciation of buildings as of June 30, 2003 and the reclassification of funds to the Agency Fund.

	<u>Buildings</u>	<u>Accumulated Depreciation - Buildings</u>	<u>Governmental Activities Net Assets</u>
Balance, as previously reported	\$ 36,177,238	\$ 4,677,116	\$ 5,179,742
Adjustments:			
Capital assets	1,073,878	508,480	565,398
Reclassification to Agency Fund	<u>-</u>	<u>-</u>	<u>(4,416)</u>
Balance, as restated	<u>\$ 37,251,116</u>	<u>\$ 5,185,596</u>	<u>\$ 5,740,724</u>

Required Supplementary Information

WAUKEE COMMUNITY SCHOOL DISTRICT

Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Balances –
Budget and Actual (Accrual Basis) – All Governmental Funds
and Proprietary Funds
Required Supplementary Information
Year Ended June 30, 2004

	Governmental Funds - Actual	Proprietary Funds - Actual	Total Actual	Budgeted Amounts		Final to Actual Variance
				Original	Final	
REVENUES:						
Local sources	\$ 16,546,492	\$ 1,236,848	\$ 17,783,340	\$ 16,823,132	\$ 16,823,132	\$ 960,208
State sources	10,947,976	14,697	10,962,673	11,140,063	11,140,063	(177,390)
Federal sources	289,138	251,677	540,815	290,500	290,500	250,315
Total revenues	27,783,606	1,503,222	29,286,828	28,253,695	28,253,695	1,033,133
EXPENDITURES:						
Instruction	15,804,478	-	15,804,478	14,750,928	13,750,928	(2,053,550)
Support services	7,004,325	-	7,004,325	6,414,842	7,414,842	410,517
Non-instructional programs	369	1,369,477	1,369,846	1,255,222	1,400,000	30,154
Other expenditures	23,059,531	-	23,059,531	17,835,848	25,000,000	1,940,469
Total expenditures	45,868,703	1,369,477	47,238,180	40,256,840	47,565,770	327,590
Excess (deficiency) of revenues over (under) expenditures	(18,085,097)	133,745	(17,951,352)	(12,003,145)	(19,312,075)	1,360,723
Other financing sources, net	9,176,300	-	9,176,300	3,500,000	3,500,000	5,676,300
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(8,908,797)	133,745	(8,775,052)	(8,503,145)	(15,812,075)	7,037,023
Balance beginning of year, as restated	16,703,421	752,217	17,455,638	10,780,335	10,780,335	6,675,303
Balance end of year	\$ 7,794,624	\$ 885,962	\$ 8,680,586	\$ 2,277,190	\$ (5,031,740)	\$ 13,712,326

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT

Budgetary Comparison Schedule – Budget to GAAP Reconciliation Required Supplementary Information Year Ended June 30, 2004

	Governmental Funds		
	Accrual Conversion Basis	Accrual Adjust- ments	Modified Accrual Basis
Revenues	\$ 27,783,606	\$ (208,715)	\$ 27,574,891
Expenditures	45,868,703	(3,072,611)	42,796,092
Net	(18,085,097)	2,863,896	(15,221,201)
Other financing sources (uses)	9,176,300	-	9,176,300
Beginning fund balances, as restated	16,703,421	(2,863,896)	13,839,525
Ending fund balances	<u>\$ 7,794,624</u>	<u>\$ -</u>	<u>\$ 7,794,624</u>
	Proprietary Fund		
	Enterprise		
	Accrual Conversion Basis	Accrual Adjust- ments	Accrual Basis
Revenues	\$ 1,503,222	\$ (19,483)	\$ 1,483,739
Expenses	1,369,477	(23,440)	1,346,037
Net	133,745	3,957	137,702
Beginning net assets	752,217	(3,957)	748,260
Ending net assets	<u>\$ 885,962</u>	<u>\$ -</u>	<u>\$ 885,962</u>

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING

June 30, 2004

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds, except private-purpose trust and agency funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the modified accrual basis. Encumbrances are not recognized on the budget and appropriations lapse at year end.

During the year ended June 30, 2004, the District began budgeting on the modified accrual basis. In order to initiate this change, it was necessary to begin the year on the cash basis and to end the year on the modified accrual basis. It was necessary to include two months of prior year accruals to facilitate this initial year conversion.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functional areas, not by fund or fund type. These four functional areas are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not at the fund or fund type level. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District adopted one budget amendment increasing budgeted expenditures by \$7,308,930.

During the year ended June 30, 2004, expenditures in the instruction functional area exceeded the amount budgeted.

Other Supplementary Information

WAUKEE COMMUNITY SCHOOL DISTRICT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

	Special Revenue			
	Management Levy	Student Activity	Physical Plant and Equipment Levy	Total
Assets				
Cash and pooled investments	\$ 60,609	\$ 257,839	\$ 445,810	\$ 764,258
Receivables:				
Property tax:				
Current year	571	-	3,928	4,499
Succeeding year	270,267	-	1,497,214	1,767,481
Accounts	-	386	-	386
Total assets	<u>\$ 331,447</u>	<u>\$ 258,225</u>	<u>\$ 1,946,952</u>	<u>\$ 2,536,624</u>
Liabilities and Fund Equity				
Liabilities:				
Accounts payable	\$ -	\$ 19,703	\$ 16,389	\$ 36,092
Interfund payable	-	3,890	-	3,890
Deferred revenue:				
Succeeding year property tax	270,267	-	1,497,214	1,767,481
Total liabilities	<u>270,267</u>	<u>23,593</u>	<u>1,513,603</u>	<u>1,807,463</u>
Fund equity:				
Fund balances:				
Unreserved:				
Undesignated	61,180	234,632	433,349	729,161
Total liabilities and fund equity	<u>\$ 331,447</u>	<u>\$ 258,225</u>	<u>\$ 1,946,952</u>	<u>\$ 2,536,624</u>

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2004

	Special Revenue			
	Management	Student	Physical	
	Levy	Activity	Plant and	
			Equipment	Total
			Levy	
Revenues:				
Local sources:				
Local tax	\$ 179,706	\$ -	\$ 1,500,730	\$ 1,680,436
Other	35	528,441	7,392	535,868
State sources	51	-	395	446
Total revenues	179,792	528,441	1,508,517	2,216,750
Expenditures:				
Current:				
Instruction:				
Regular instruction	126,213	-	24,181	150,394
Other instruction	-	445,047	-	445,047
Support services:				
Student services	7,292	-	-	7,292
Instructional staff services	5,833	-	-	5,833
Administration services	18,053	-	-	18,053
Operation and maintenance of plant services	11,588	-	-	11,588
Other expenditures:				
Capital outlay:				
Facilities acquisition	-	-	1,023,550	1,023,550
Total expenditures	168,979	445,047	1,047,731	1,661,757
Excess of revenues over expenditures	10,813	83,394	460,786	554,993
Other financing sources (uses)				
Interfund transfers in	-	1,127	-	1,127
Interfund transfers out	-	-	(774,425)	(774,425)
Total other financing sources (uses)	-	1,127	(774,425)	(773,298)
Net change in fund balance	10,813	84,521	(313,639)	(218,305)
Fund balances beginning of year	50,367	150,111	746,988	947,466
Fund balances end of year	\$ 61,180	\$ 234,632	\$ 433,349	\$ 729,161

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
Year Ended June 30, 2004

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
High School:				
Activity Special Projects	\$ 1,440	\$ -	\$ 1,440	\$ -
Ambassadors	167	-	77	90
Annual	4,203	30,585	17,313	17,475
Art Club	353	9,333	9,645	41
Athletics	3,173	127,060	122,655	7,578
Auditorium	180	-	-	180
Band Resale	(3,770)	5,836	3,486	(1,420)
Baseball	234	4,369	4,465	138
Baseball/Softball Facility	-	14,604	1,929	12,675
Best Buddies	(19)	108	89	-
Boys Basketball	1,590	12,543	15,603	(1,470)
Boys Golf	1,131	12	115	1,028
Boys Soccer	1,693	1,953	2,576	1,070
Boys Track	1,667	1,295	1,771	1,191
Boys Cross Country	-	691	640	51
Candy Machine	1,396	547	-	1,943
Cheerleaders	2,602	6,414	9,245	(229)
Class of 2003	1,496	-	750	746
Class of 2004	7,194	1,835	2,857	6,172
Class of 2005	4,799	4,930	2,515	7,214
Class of 2006	2,733	2,830	1,547	4,016
Class of 2007	-	3,617	-	3,617
Concessions	2,535	965	-	3,500
Dance/Drill Team	1,496	6,494	7,962	28
Dawson Memorial	162	-	-	162
Drama	(243)	-	(243)	-
Drumline	135	-	62	73
Electrathon	749	-	557	192
Flag Team/Color Guard	129	2,685	3,186	(372)
Football	1,815	23,357	22,778	2,394
Foreign Language Club	2,657	3,305	2,723	3,239
German/International Club	728	2,229	2,083	874
Girls Basketball	1,967	15,549	14,138	3,378
Girls Golf	831	390	77	1,144
Girls Soccer	543	328	625	246
Girls Track	1,141	2,632	3,301	472
Girls Cross Country	-	430	372	58
HS Muscial	9,591	6,942	6,461	10,072
HS Improvement	3,503	1,909	1,538	3,874
Industrial Arts	(101)	880	1,147	(368)

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
Year Ended June 30, 2004

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
High School (continued):				
Interest	\$ 10,523	\$ 1,438	\$ 405	\$ 11,556
Pep Club	439	880	883	436
SADD	576	188	344	420
SELF Special Olympics	288	-	288	-
SELF Room	296	1,972	756	1,512
Skills USA	672	-	-	672
Softball	44	2,257	1,054	1,247
Speech	2,250	200	-	2,450
Student Council	5,949	8,185	9,352	4,782
Swing Choir	2,193	-	708	1,485
TPRS World Lang	-	2,709	2,868	(159)
Vocal Music	(1,002)	16,119	10,338	4,779
Volleyball	3,086	7,971	8,073	2,984
Weight Room	1,857	2,407	1,155	3,109
Wrestling	305	4,734	5,287	(248)
Youth for Safe Schools	500	-	-	500
Middle School:				
6th Grade	135	-	-	135
7th Grade	79	-	-	79
8th Grade	204	-	-	204
Athletic Resale	15,218	18,525	28,306	5,437
Athletics	(8,586)	8,422	(164)	-
Band	1,008	-	(40)	1,048
Band Resale	194	7,564	7,696	62
Cheerleaders	(110)	-	(110)	-
Concessions	10,332	5,138	5,060	10,410
Drama/Speech/Musical	1,821	1,666	275	3,212
Home Ec Resale	39	2,884	2,905	18
Improvement Fund	1,431	63,433	56,801	8,063
MS SELF	225	534	481	278
Student Council	2,633	4,091	3,618	3,106
Swing Choir	2,524	4,657	4,716	2,465
Vocal Resale	20	-	20	-
Yearbook	1,811	8,873	8,539	2,145
Elementary:				
BV Band	112	205	132	185
BV Improvement	6,576	4,800	1,114	10,262
BV Student Council	1,916	1,807	1,633	2,090
Eason Band Resale	(356)	300	(356)	300
Eason Fine Arts	282	-	-	282

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF CHANGES IN SPECIAL REVENUE FUND, STUDENT ACTIVITY ACCOUNTS
Year Ended June 30, 2004

Account	Balance Beginning of Year	Revenues	Expenditures	Balance End of Year
Elementary (continued):				
Eason Improvement	\$ 6,970	\$ 14,228	\$ 10,267	\$ 10,931
Eason Playground Project	2,872	-	-	2,872
Eason Student Council	1,058	924	62	1,920
WE Band Resale	(43)	651	546	62
WE Book Fair	(827)	827	-	-
WE Fine Art	-	165	-	165
WE Improvement	9,456	6,994	2,764	13,686
WE Playground	1,087	24,095	1,034	24,148
WE Student Council	3,530	3,068	2,128	4,470
WE T-shirt	624	-	624	-
Total	\$ <u>150,111</u>	\$ <u>529,568</u>	\$ <u>445,047</u>	\$ <u>234,632</u>

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUND
 Year Ended June 30, 2004

	Balance Beginning of Year, as Restated	Additions	Deductions	Balance End of Year
Assets				
Cash	\$ 18,974	\$ 147,559	\$ 139,583	\$ 26,950
Accounts receivable	-	206	-	206
Total assets	<u>\$ 18,974</u>	<u>\$ 147,765</u>	<u>\$ 139,583</u>	<u>\$ 27,156</u>
Liabilities				
Accounts payable	\$ -	\$ 106	\$ -	\$ 106
Other payables	18,974	147,659	139,583	27,050
Total liabilities	<u>\$ 18,974</u>	<u>\$ 147,765</u>	<u>\$ 139,583</u>	<u>\$ 27,156</u>

See accompanying independent auditor's report.

WAUKEE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION

ALL GOVERNMENTAL FUNDS
FOR THE LAST FOUR YEARS

	Modified Accrual Basis Years Ended June 30,			
	2004	2003	2002	2001
Revenues:				
Local sources:				
Local tax	\$ 14,220,453	\$ 12,501,101	\$ 10,511,087	\$ 8,739,689
Tuition	1,258,916	1,274,538	951,858	723,627
Other	914,311	959,469	1,203,985	1,450,059
State sources	10,926,968	9,691,405	8,327,266	7,211,697
Federal sources	254,243	207,125	211,068	123,955
Total revenues	<u>\$ 27,574,891</u>	<u>\$ 24,633,638</u>	<u>\$ 21,205,264</u>	<u>\$ 18,249,027</u>
Expenditures:				
Instruction:				
Regular instruction	\$ 10,074,061	\$ 9,180,177	\$ 8,343,873	\$ 7,005,547
Special instruction	2,679,023	2,303,872	2,075,696	1,662,261
Other instruction	1,443,770	1,354,138	1,241,953	1,106,743
Support services:				
Student services	983,108	927,615	824,065	709,312
Instructional staff services	1,331,528	604,992	433,723	412,995
Administration services	1,965,351	1,515,229	1,431,842	1,268,229
Operation and maintenance of plant services	1,584,289	1,567,336	1,265,887	1,297,021
Transportation services	874,909	762,357	672,081	673,284
Non-instructional programs	369	352	6,627	7,019
Other expenditures:				
Facilities acquisition	16,567,624	5,343,943	3,069,331	10,252,292
Long-term debt:				
Principal	2,290,000	2,090,000	1,925,000	1,537,636
Interest	2,082,149	1,900,449	1,676,867	1,530,447
Fiscal charges	96,130	-	-	-
AEA flowthrough	823,781	770,245	662,430	583,993
Total expenditures	<u>\$ 42,796,092</u>	<u>\$ 28,320,705</u>	<u>\$ 23,629,375</u>	<u>\$ 28,046,779</u>

See accompanying independent auditor's report.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Board of Education of
Waukee Community School District:

We have audited the financial statements of Waukee Community School District as of and for the year ended June 30, 2004, and have issued our report thereon dated September 20, 2004. We conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Waukee Community School District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance that are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about Waukee Community School District's operations for the year ended June 30, 2004 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes. Prior year statutory comments have all been resolved.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Waukee Community School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in Part I of the accompanying Schedule of Findings.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We noted no material weaknesses during the course of our audit. Prior year reportable conditions have been resolved except for item I-A-04.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Waukee Community School District and other parties to whom Waukee Community School District may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Waukee Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Oskaloosa, Iowa
September 20, 2004

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2004

Part I: Findings Related to the General Purpose Financial Statements:

Instances of Non-Compliance:

No matters were reported.

Reportable Conditions:

- I-A-04 Disbursements – Out of forty disbursements tested, two were not supported by an invoice or receipt. One was for a supplies reimbursement which was supported only by a purchase order and credit card statement. The other was for student prizes relating to a magazine sales fundraiser.

Recommendation – All disbursements should be adequately supported by an invoice, receipt or other written documentation.

Response – These disbursements were isolated instances. We will make sure that all future disbursements are properly supported. An original receipt will be required to support any credit card purchases and students will be required to sign for any cash prizes they receive from fundraiser sales.

Conclusion – Response accepted.

- I-B-04 Fundraisers – Supporting documentation for fundraiser income is being kept by individual activity club sponsors. There are no set procedures in place to review this information for completeness and accuracy other than review by the activity sponsor, who is also responsible for the initial collection of fundraising income.

Recommendation – The District should develop some type of summary form and procedures which would include reviewing supporting documentation for fundraisers in order to account for the completeness and accuracy of revenues recorded. For example, you could have the activity sponsor summarize budgeted, expected, and actual results on a spreadsheet which can be compared to actual fundraising receipts recorded once the fundraiser is completed. Any revenues short or long can then be explained on the form. This form should be reviewed and initialed by either the Activity Director, Principal, or Secretary as applicable. Whoever is reviewing these fundraiser summary forms should also verify in detail the information on a couple of forms each year. This can be done by tracing the information on the form to the supporting documentation kept by the activity sponsor i.e. sales sheets, order forms, etc. We realize verifying every fundraiser would be time consuming so not every fundraiser needs to be verified in detail. Checking a few each year will let the activity sponsors realize that someone may be reviewing their records.

Response – We will review our procedures regarding fundraising activities and change our procedures as we deem necessary.

Conclusion – Response accepted.

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2004

Part II: Other Findings Related to Statutory Reporting:

II-A-04 Official Depositories – Official depositories have been approved by the District. The maximum deposit amounts approved were not exceeded during the year ended June 30, 2004.

II-B-04 Certified Budget – Expenditures for the year ended June 30, 2004, exceeded the amount budgeted in the instruction functional area.

Recommendation – The budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.

Response – We will amend our budget before expenditures exceed the budget. The overexpenditure was due to the conversion from a cash to a modified accrual basis budget.

Conclusion – Response accepted.

II-C-04 Questionable Expenditures – No expenditures were noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

II-D-04 Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

II-E-04 Business Transactions – Business transactions between the District and District officials or employees are detailed as follows:

Name, Title and Business Connection	Transaction Description	Amount
Embree Edgington, Board Member	Driving vans	\$ 280
Bill Daggett, Board Vice President	Security at athletic events	\$ 90
Bill Jennings, Teacher Owner of Advert-A-Shirt	T-shirts	\$10,033

In accordance with an Attorney General's opinion dated November 9, 1976, the transactions above do not appear to represent conflicts of interest.

II-F-04 Bond Coverage – Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.

II-G-04 Board Minutes – No transactions requiring Board approval which had not been approved by the Board were noted.

II-H-04 Certified Enrollment – No variances in the basic enrollment data certified to the Department of Education were noted.

WAUKEE COMMUNITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS

Year Ended June 30, 2004

Part II: Other Findings Related to Statutory Reporting (continued):

- II-I-04 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District’s investment policy were noted.
- II-J-04 Certified Annual Report – The Certified Annual Report was filed with the Department of Education timely and we noted no significant deficiencies in the amounts reported.

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STATISTICAL SECTION

WAUKEE COMMUNITY SCHOOL DISTRICT
SUMMARIZED COMPARISON OF LOCAL AND INTERGOVERNMENTAL REVENUES

Last Ten Fiscal Years
(Unaudited)

	Year Ended June 30,			
	2004	2003	2002	2001
Local:				
General and Special Revenue Funds	\$ 12,136,114	\$ 11,479,225	\$ 9,390,505	\$ 7,813,067
Debt Service and Capital Projects Funds	4,257,566	3,255,883	3,277,284	3,123,907
	<u>16,393,680</u>	<u>14,735,108</u>	<u>12,667,789</u>	<u>10,936,974</u>
State Sources	<u>10,926,968</u>	<u>9,691,405</u>	<u>8,326,407</u>	<u>7,188,098</u>
Federal Sources	<u>254,243</u>	<u>207,125</u>	<u>211,068</u>	<u>123,955</u>
Totals	<u>\$ 27,574,891</u>	<u>\$ 24,633,638</u>	<u>\$ 21,205,264</u>	<u>\$ 18,249,027</u>

Source: District records

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$	6,973,173	\$ 5,942,738	\$ 5,122,103	\$ 4,470,576	\$ 4,375,744	\$ 3,298,612
	<u>2,346,790</u>	<u>1,642,352</u>	<u>1,492,412</u>	<u>1,394,574</u>	<u>704,646</u>	<u>722,971</u>
	<u>9,319,963</u>	<u>7,585,090</u>	<u>6,614,515</u>	<u>5,865,150</u>	<u>5,080,390</u>	<u>4,021,583</u>
	<u>6,593,640</u>	<u>5,232,474</u>	<u>4,681,170</u>	<u>4,280,023</u>	<u>2,988,914</u>	<u>3,049,456</u>
	<u>97,274</u>	<u>68,096</u>	<u>68,002</u>	<u>49,411</u>	<u>39,799</u>	<u>29,787</u>
\$	<u><u>16,010,877</u></u>	<u><u>12,885,660</u></u>	<u><u>11,363,687</u></u>	<u><u>10,194,584</u></u>	<u><u>8,109,103</u></u>	<u><u>7,100,826</u></u>

WAUKEE COMMUNITY SCHOOL DISTRICT
GENERAL FUND REVENUES, BY SOURCE

Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	Local		State	Federal	Total
	Taxes	Miscellaneous			
2004	\$ 8,349,264	\$ 1,570,546	\$ 10,925,564	\$ 254,243	\$ 21,099,617
2003	7,866,729	1,600,125	9,690,094	207,125	19,364,073
2002	6,385,468	1,292,631	8,326,003	211,068	16,215,170
2001	5,312,002	1,040,571	7,177,234	123,955	13,653,762
2000	4,828,889	991,394	6,587,414	97,274	12,504,971
1999	4,410,095	837,260	5,230,494	68,096	10,545,945
1998	3,802,567	710,480	4,680,277	68,002	9,261,326
1997	3,443,823	521,991	4,278,912	49,411	8,294,137
1996	3,449,462	404,088	2,988,717	39,799	6,882,066
1995	2,319,545	312,274	3,049,261	29,787	5,710,867

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
GENERAL FUND EXPENDITURES, BY PROGRAM

Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	Instruction	Support Services	Non- Instructional Programs	Other Expenditures	Total
2004	\$ 13,601,413	\$ 6,696,419	\$ 369	\$ 823,781	\$ 21,121,982
2003	12,339,194	5,228,519	-	770,245	18,337,958
2002	11,156,200	4,530,756	-	662,430	16,349,386
2001	9,404,186	4,291,717	-	583,993	14,279,896
2000	7,825,779	3,894,325	-	500,313	12,220,417
1999	6,805,818	3,304,633	-	438,740	10,549,191
1998	5,844,014	2,852,106	-	388,747	9,084,867
1997	5,350,045	2,239,731	-	354,820	7,944,596
1996	4,561,781	1,729,265	-	260,845	6,551,891
1995	*	*	*	*	5,703,412 *

* Account structure and related classification was updated in 1996. Classification of amounts is not available prior to fiscal year 1996.

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
(Unaudited)

<u>Property Tax Levies</u>						
Collection	General		Debt			
Year	Fund	Management	Service	PPEL	Total	
2004	\$ 8,362,946	\$ 180,000	\$ 3,649,603	\$ 1,505,078	\$ 13,697,627	
2003	7,874,784	165,000	3,094,666	1,367,044	12,501,494	
2002	6,386,307	140,000	2,817,647	1,165,426	10,509,380	
2001	5,267,646	120,000	2,341,461	965,491	8,694,598	
2000	4,942,602	90,000	2,033,072	705,204	7,770,878	
1999	4,383,257	80,000	1,521,300	357,361	6,341,918	
1998	3,827,284	40,000	1,412,736	314,587	5,594,607	
1997	3,711,067	25,000	1,162,893	294,752	5,193,712	
1996	3,451,237	75,000	660,663	272,022	4,458,922	
1995	2,351,919	60,000	654,174	183,333	3,249,426	

Property Tax Collections

2004	8,349,264	179,706	3,639,048	1,500,730	13,668,748
2003	7,866,729	165,496	3,093,356	1,375,520	12,501,101
2002	6,385,468	140,125	2,819,360	1,166,134	10,511,087
2001	5,312,002	121,008	2,341,268	965,411	8,739,689
2000	4,828,889	90,212	2,036,661	706,862	7,662,624
1999	4,410,095	80,547	1,525,021	359,811	6,375,474
1998	3,802,567	40,136	1,416,637	315,659	5,574,999
1997	3,443,823	24,895	1,158,077	293,503	4,920,298
1996	3,449,462	75,067	660,627	271,854	4,457,010
1995	2,319,545	58,891	689,475	178,529	3,246,440

Percentage Collected

2004	99.84 %	99.84 %	99.71 %	99.71 %	99.79 %
2003	99.90	100.30	99.96	100.62	100.00
2002	99.99	100.09	100.06	100.06	100.02
2001	100.84	100.84	99.99	99.99	100.52
2000	97.70	100.24	100.18	100.24	98.61
1999	100.61	100.68	100.24	100.69	100.53
1998	99.35	100.34	100.28	100.34	99.65
1997	92.80	99.58	99.59	99.58	94.74
1996	99.95	100.09	99.99	99.94	99.96
1995	98.62	98.15	105.40	97.38	99.91

Source: District records

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WAUKEE COMMUNITY SCHOOL DISTRICT
TAXABLE AND 100% VALUES OF TAXABLE PROPERTY

Last Ten Fiscal Years
(Unaudited)

Levy Year	Collection Year	Real Property		Personal Property	
		Taxable	100% Value	Taxable	100% Value
2002	2003-04	\$ 879,210,841	\$ 1,345,520,461	\$ -	\$ -
2001	2002-03	800,649,806	1,217,989,973	742,846	742,846
2000	2001-02	672,278,192	975,065,887	6,503,826	6,503,826
1999	2000-01	555,403,963	826,165,160	7,654,857	7,654,857
1998	1999-00	477,596,640	693,246,007	8,430,119	8,430,119
1997	1998-99	408,170,193	612,369,624	10,398,704	10,398,704
1996	1997-98	355,638,724	495,890,652	10,498,240	10,498,240
1995	1996-97	322,761,711	449,323,731	10,499,686	10,499,686
1994	1995-96	261,445,678	333,503,466	10,510,459	10,510,459
1993	1994-95	217,997,891	276,306,786	509,982	509,982

Gas and Electric was broken out of total utilities in fiscal year 2000 due to change in state law

Gas and Electric is no longer subject to property tax, but instead pay utility replacement tax

Includes Tax Increment Financing Valuations

Source: County Auditor's Office

Railroads & Utilities w/o Gas & Electric		Gas & Electric		Total		Ratio of Total Taxable Value to 100% Value
Taxable	100% Value	Taxable	100% Value	Taxable	100% Value	
\$ 14,515,487	\$ 14,515,487	\$ 7,517,646	\$ 7,517,646	\$ 901,243,974	\$ 1,367,553,594	65.90 %
15,058,875	15,106,417	7,526,984	7,526,984	823,978,511	1,241,366,220	66.38
11,519,941	11,519,941	7,557,884	7,557,884	697,859,843	1,000,647,538	69.74
15,100,018	15,100,018	-	-	578,158,838	848,920,035	68.11
15,966,459	15,966,459	-	-	501,993,218	717,642,585	69.95
17,249,249	17,249,249	-	-	435,818,146	640,017,577	68.09
16,023,970	16,023,970	-	-	382,160,934	522,412,862	73.15
14,499,686	14,499,686	-	-	347,761,083	474,323,103	73.32
14,350,063	14,350,063	-	-	286,306,200	358,363,988	79.89
11,771,446	11,771,446	-	-	230,279,319	288,588,214	79.80

WAUKEE COMMUNITY SCHOOL DISTRICT

PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION), DIRECT AND OVERLAPPING GOVERNMENTS Last Ten Fiscal Years (Unaudited)

City of Waukee

Levy Year	Collection Year	Dallas County	Dalls Co. Hospital	State	Area XI Community College	City	Special	Waukee CSD	Total	Ratio WCSD to Total
2002	2003-04	\$ 6.22792	\$ 0.78378	\$ 0.00400	\$ 0.58184	\$ 13.50010	\$ -	\$ 17.66440	\$ 38.76204	45.571 %
2001	2002-03	6.27223	0.85556	0.00500	0.54584	13.50032	-	17.66350	38.84245	45.475
2000	2001-02	6.26865	0.85556	0.00500	0.54454	13.50000	-	17.47522	38.64897	45.215
1999	2000-01	6.07606	0.61980	0.00500	0.54506	13.50000	-	17.49678	38.24270	45.752
1998	1999-00	6.70965	0.61981	0.00500	0.52451	14.24965	-	17.63776	39.74638	44.376
1997	1998-99	6.69435	0.61980	0.00500	0.50551	11.54002	-	16.98053	36.34521	46.720
1996	1997-98							16.98924	16.98924	100.000
1995	1996-97							16.99111	16.99111	100.000
1994	1995-96							16.27380	16.27380	100.000
1993	1994-95							16.99674	16.99674	100.000

City of Clive

2002	2003-04	\$ 6.22792	\$ 0.78378	\$ 0.00400	\$ 0.58184	\$ 8.92149	\$ -	\$ 17.66440	\$ 34.18343	51.675 %
2001	2002-03	6.27223	0.85556	0.00500	0.54584	8.96811	-	17.66350	34.31024	51.482
2000	2001-02	6.26865	0.85556	0.00500	0.54454	8.45221	-	17.47522	33.60118	52.008
1999	2000-01	6.07606	0.61980	0.00500	0.54506	7.91104	-	17.49678	32.65374	53.583
1998	1999-00	6.70965	0.61981	0.00500	0.52451	7.91330	-	17.63776	33.41003	52.792
1997	1998-99	6.69435	0.61980	0.00500	0.50551	7.70014	-	16.98053	32.50533	52.239
1996	1997-98							16.98924	16.98924	100.000
1995	1996-97							16.99111	16.99111	100.000
1994	1995-96							16.27380	16.27380	100.000
1993	1994-95							16.99674	16.99674	100.000

City of Grimes

2002	2003-04	\$ 6.22792	\$ 0.78378	\$ 0.00400	\$ 0.58184	\$ 12.82394	\$ -	\$ 17.66440	\$ 38.08588	46.380 %
2001	2002-03	6.27223	0.85556	0.00500	0.54584	12.76837	-	17.66350	38.11050	46.348
2000	2001-02	6.26865	0.85556	0.00500	0.54454	11.72852	-	17.47522	36.87749	47.387
1999	2000-01	6.07606	0.61980	0.00500	0.54506	11.61255	-	17.49678	36.35525	48.127
1998	1999-00	6.70965	0.61981	0.00500	0.52451	11.61165	-	17.63776	37.10838	47.530
1997	1998-99	6.69435	0.61980	0.00500	0.50551	12.27467	-	16.98053	37.07986	45.794
1996	1997-98							16.98924	16.98924	100.000
1995	1996-97							16.99111	16.99111	100.000
1994	1995-96							16.27380	16.27380	100.000
1993	1994-95							16.99674	16.99674	100.000

Note: Levy breakdown not available for levy years 1993-1996.

Source: County Auditor's Office

City of Urbandale

Levy Year	Collection Year	Dallas County	Dalls Co. Hospital	State	Area XI Community College	City	Special	Waukee CSD	Total	Ratio WCSD to Total
2002	2003-04	\$ 6.22792	\$ 0.78378	\$ 0.00400	\$ 0.58184	\$ 9.07000	\$ 0.42528	\$ 17.66440	\$ 34.75722	50.822 %
2001	2002-03	6.27223	0.85556	0.00500	0.54584	8.97000	0.41734	17.66350	34.72947	50.860
2000	2001-02	6.26865	0.85556	0.00500	0.54454	8.96096	0.35432	17.47522	34.46425	50.705
1999	2000-01	6.07606	0.61980	0.00500	0.54506	8.97000	0.39163	17.49678	34.10433	51.304
1998	1999-00	6.70965	0.61981	0.00500	0.52451	8.83994	0.42847	17.63776	34.76514	50.734
1997	1998-99	6.69435	0.61980	0.00500	0.50551	8.49000	0.45088	16.98053	33.74607	50.319
1996	1997-98							16.98924	16.98924	100.000
1995	1996-97							16.99111	16.99111	100.000
1994	1995-96							16.27380	16.27380	100.000
1993	1994-95							16.99674	16.99674	100.000

City of West Des Moines

2002	2003-04	\$ 6.22792	\$ 0.78378	\$ 0.00400	\$ 0.58184	\$ 11.60021	\$ -	\$ 17.66440	\$ 36.86215	47.920 %
2001	2002-03	6.27223	0.85556	0.00500	0.54584	11.60003	-	17.66350	36.94216	47.814
2000	2001-02	6.26865	0.85556	0.00500	0.54454	10.90002	-	17.47522	36.04899	48.476
1999	2000-01	6.07606	0.61980	0.00500	0.54506	10.90000	-	17.49678	35.64270	49.089
1998	1999-00	6.70965	0.61981	0.00500	0.52451	10.89994	-	17.63776	36.39667	48.460
1997	1998-99	6.69435	0.61980	0.00500	0.50551	10.90000	-	16.98053	35.70519	47.558
1996	1997-98							16.98924	16.98924	100.000
1995	1996-97							16.99111	16.99111	100.000
1994	1995-96							16.27380	16.27380	100.000
1993	1994-95							16.99674	16.99674	100.000

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARATIVE RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE
AND BONDED DEBT PER CAPITA

Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year of Collection</u>	<u>Population*</u>	<u>100% Actual Value</u>	<u>Legal Debt Limit (5%)</u>	<u>Indebtedness</u>	<u>Debt to 100% Actual Value</u>	<u>Debt per Capita</u>
2003-04	15,500	\$ 1,367,553,594	\$ 68,377,680	\$ 52,195,000	3.82 %	\$ 3,367
2002-03	14,607	1,241,366,220	62,068,311	44,640,000	3.60	3,056
2001-02	13,780	1,000,647,538	50,032,377	35,060,000	3.50	2,544
2000-01	13,000	848,920,035	42,446,002	29,375,000	3.46	2,260
1999-00	12,264	717,642,585	35,882,129	26,790,000	3.73	2,184
1998-99	11,570	640,017,577	32,000,879	23,000,000	3.59	1,988
1997-98	10,518	522,412,862	26,120,643	16,475,000	3.15	1,566
1996-97	10,337	474,323,103	23,716,155	14,735,000	3.11	1,425
1995-96	10,159	358,363,988	17,918,199	6,590,000	1.84	649
1994-95	9,433	288,588,214	14,429,411	8,420,000	2.92	893

* District populations estimated from 2000 Census

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
COMPUTATION OF OVERLAPPING AND DIRECT DEBT

June 30, 2004
(Unaudited)

	Taxable Valuation	Percent in District	G. O. Debt	Waukee CSD Share of the Debt
Dallas County	\$ 1,935,670,367	46.56 %	\$ 4,720,000	\$ 2,197,632
City of Waukee	251,714,489	98.95	10,470,000	10,360,065
City of Clive	918,388,668	14.66	17,405,000	2,551,573
City of Grimes	200,065,590	0.20	6,705,000	13,410
City of Urbandale	1,654,654,702	3.46	26,835,000	928,491
City of West Des Moines	2,846,791,408	17.06	143,475,000	24,476,835
Area XI Des Moines Area Community College	26,085,163,567	3.46	44,490,000	1,539,354
Total District Share of Overlapping Debt			<u>\$ 254,100,000</u>	<u>\$ 42,067,360</u>
Direct, Waukee Community School District:				
General Obligation		100.00 %	\$ 52,195,000	\$ 52,195,000
Capital Loan Notes		100.00	<u>1,425,000</u>	<u>1,425,000</u>
Total District Direct Debt			<u>\$ 53,620,000</u>	<u>53,620,000</u>

Source: District records, County Auditor's office, City of Waukee, City of Clive, City of Grimes, City of Urbandale,
City of West Des Moines, Area XI Des Moines Area Community College

WAUKEE COMMUNITY SCHOOL DISTRICT

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES

Last Ten Fiscal Years
(Unaudited)

		<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Expenditures</u>	<u>Ratio of Debt Service to Total Expenditures</u>
2003-04	\$	1,620,000	\$ 1,983,926	\$ 3,603,926	\$ 21,121,982	17.06 %
2002-03		1,450,000	1,773,021	3,223,021	18,337,958	17.58
2001-02		1,315,000	1,515,146	2,830,146	16,349,386	17.31
2000-01		955,000	1,378,872	2,333,872	14,279,896	16.34
1999-00		870,000	1,148,125	2,018,125	12,220,417	16.51
1998-99		675,000	984,923	1,659,923	10,549,191	15.74
1997-98		560,000	862,095	1,422,095	9,084,867	15.65
1996-97		480,000	750,493	1,230,493	7,944,596	15.49
1995-96		280,000	380,273	660,273	6,551,891	10.08
1994-95		260,000	393,873	653,873	5,703,412	11.46

Source: District records

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WAUKEE COMMUNITY SCHOOL DISTRICT
GENERAL ANALYSIS OF FACILITIES, CLASSROOMS AND STAFFING

June 30, 2004
(Unaudited)

Name of School	Dates of Construction
Elementary Schools:	
Waukee	1917, 1957, 1974, 1979, 1987, 1999
Eason	1994, 2002
Brookview	2001, 2002
Waukee Middle School	1974, 1977, 1987, 1994, 1997, 1999
Waukee High School	1997, 2000, 2001
Other facilities - non-student occupancy	
YMCA	2000, 2001
Waukee Elementary Annex	1932, 1995
District Administration	2003

Source: District records

Grades Served	Building Served Enrollment Sept. 2003	Certified Staff	Pupil/Teacher Ratio	Number of Classrooms	Teaching Sections
K-5 and Special Education	884	54.6	16.21	35	37
K-5 and Special Education	592	35.5	16.68	26	26
K-5 and Special Education	575	37.5	15.33	25	25
	2,051	127.6	16.08	86	88
6-8 and Special Education	733	53.7	13.65	26	26
9-12 and Special Education	842	56.3	14.96	-	-
District Wide	3,626	237.6	15.26	112	114

WAUKEE COMMUNITY SCHOOL DISTRICT

DIRECT STAFFING LEVELS

Last Ten Fiscal Years
(Unaudited)

	2004	2003	2002	2001	2000
Administration:					
Superintendent	1.0	1.0	1.0	1.0	1.0
Principal	5.0	5.0	5.0	4.0	4.0
Associate Principal	1.0	-	-	-	-
Other Administrators	5.0	3.0	3.0	3.0	3.0
Total Administration	12.0	9.0	9.0	8.0	8.0
Other Professionals	-	0.6	1.0	1.0	2.0
Instruction:					
Teacher	229.1	207.7	192.5	165.7	143.3
Curriculum Specialist	1.0	1.0	-	-	-
Counselor	11.0	11.0	10.0	9.0	8.0
Title I	1.0	-	-	-	-
Media Specialist	5.0	5.0	5.0	3.0	3.0
Total Instruction	247.1	224.7	207.5	177.7	154.3
Professional, Other:					
Nurse	4.8	4.8	4.8	4.0	3.5
Other Professional	5.0	4.0	3.8	2.0	1.0
Total Professional, Other	9.8	8.8	8.6	6.0	4.5
Support Personnel:					
Office/Clerical	16.9	15.8	12.3	14.5	12.5
Crafts/Trades	1.0	1.0	1.0	1.0	1.0
Teacher Associates	56.9	42.2	42.8	37.5	32.0
Other Support Personnel	57.1	39.4	40.0	21.0	20.5
Total Support Personnel	131.9	98.4	96.1	74.0	66.0
Totals	400.8	341.5	322.2	266.7	234.8

Source: District records

1999	1998	1997	1996	1995
1.0	1.0	1.0	1.0	1.0
4.0	4.0	4.0	4.0	4.0
-	-	-	-	-
3.0	4.0	4.0	4.0	2.3
8.0	9.0	9.0	9.0	7.3
2.0	2.0	1.0	1.0	-
134.5	117.9	101.5	101.5	88.9
-	-	-	-	-
7.0	6.0	6.0	5.0	3.0
-	-	-	-	-
3.0	3.0	3.0	2.5	2.0
144.5	126.9	110.5	109.0	93.9
3.3	1.0	2.5	1.0	1.0
1.0	1.0	0.5	0.5	0.1
4.3	2.0	3.0	1.5	1.1
9.0	10.0	7.0	7.0	7.0
-	-	-	0.5	0.1
26.2	19.8	16.0	16.5	13.8
16.7	22.0	17.0	14.0	11.5
51.9	51.8	40.0	38.0	32.4
210.7	191.7	163.5	158.5	134.7

WAUKEE COMMUNITY SCHOOL DISTRICT
DISTRICT AND AREA UNEMPLOYMENT RATES

Last Ten Fiscal Years
(Unaudited)

<u>Year Ended June 30,</u>	<u>Des Moines Area</u>	<u>State of Iowa</u>
2004	4.1%	4.1%
2003	3.6	4.2
2002	3.4	4.0
2001	2.1	3.3
2000	2.0	2.6
1999	1.9	2.5
1998	2.0	2.6
1997	2.6	3.3
1996	2.8	3.8
1995	2.6	3.5

Source: Iowa Workforce Development

WAUKEE COMMUNITY SCHOOL DISTRICT
SUMMARY OF HISTORICAL RETAIL SALES

Last Ten Fiscal Years
(Unaudited)

In Millions of Dollars										
	<u>Dallas</u>	<u>Percent</u>		<u>Waukee</u>	<u>Percent</u>	<u>West</u>	<u>Percent</u>		<u>Des Moines</u>	<u>Percent</u>
	<u>County</u>	<u>Increase</u>			<u>Increase</u>	<u>Des Moines</u>	<u>Increase</u>			<u>Increase</u>
2003 * \$	319.88	12.2 %	\$	84.65	10.4 %	\$	891.45	2.3 %	\$	4,190.41 10.6 %
2002	285.14	7.5		76.68	8.1		871.55	2.1		3,789.65 (5.1)
2001	265.18	20.7		70.94	41.5		853.49	(0.6)		3,994.64 (2.7)
2000	219.78	21.7		50.13	73.4		858.59	5.3		4,106.04 1.3
1999	180.54	18.0		28.91	5.7		815.65	15.9		4,054.94 2.8
1998	152.98	7.2		27.36	11.2		704.03	8.1		3,944.05 0.2
1997	142.72	4.1		24.61	6.6		651.25	2.4		3,935.45 2.4
1996	137.05	8.0		23.09	5.8		636.14	10.4		3,844.21 4.4
1995	126.94	4.4		21.82	13.4		576.36	11.7		3,682.98 3.6
1994	121.58			19.24			516.14			3,554.18

* 2003 actual data is most recent data available.

Source: Office of Social and Economic Trend Analysis

WAUKEE COMMUNITY SCHOOL DISTRICT

MAJOR EMPLOYERS IN THE DISTRICT AND POPULATION

June 30, 2004
(Unaudited)

Presented below is a list of major employers located within the Waukee Community School District, the type of business conducted and an approximate number of employees for each.

<u>Name of business</u>	<u>Product/Service</u>	<u>Employees</u>
Selectivend	Manufacturing	500
Waukee Community School District	Education	400
Des Moines Golf and Country Club	Country Club/Golf Course	325
Monarch Manufacturing	Window Manufacturer	110

Larger employers in the area:

Principal Financial Group	Insurance	8,300
State of Iowa	Government	6,749
United States Government	Government	6,100
Des Moines Ind. School District	Education	5,325
Iowa Health System	Health Care	5,000
Communication Data Services, Inc.	Data Entry	3,000
HyVee Food Store	Grocery Chain	2,595
Mercy Hospital Medical Center	Health Care	2,200
City of Des Moines	Government	2,170
Wellmark Blue Cross Blue Shield	Insurance	2,066
Bridgestone-Firestone	Manufacturing	1,700
West Des Moines Community School District	Education	1,500
Pioneer Hybrid	Agriculture Seed Sales	1,400

Population

Presented below are the official census figures for the incorporated cities of Waukee, Clive, Urbandale and West Des Moines. The Waukee Community School District includes the portions of each of these cities in Dallas County within its boundaries. The District's population is estimated to be 13,000.

<u>Census</u>	<u>Waukee</u>	<u>Clive</u>	<u>Urbandale</u>	<u>West Des Moines</u>
1980	2,227	6,064	17,869	21,894
1990	2,512	7,462	23,500	31,702
2000	5,126	12,855	29,072	46,403

Source: City Chambers of Commerce

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WAUKEE COMMUNITY SCHOOL DISTRICT
BUILDING AND CERTIFIED RESIDENT STUDENT ENROLLMENT BY GRADE

Last Ten Fiscal Years
(Unaudited)

Grade	2003	2002	2001	2000
PK	24	14	14	*
K	445	321	327	259
1	350	346	276	239
2	377	296	255	198
3	319	262	222	204
4	276	241	215	222
5	260	233	230	165
6	244	256	185	182
7	265	199	192	175
8	224	220	188	168
9	244	189	179	165
10	198	190	174	150
11	202	182	165	153
12	198	163	146	121
District Served Enrollment	3,626.0	3,112.0	2,768.0	2,401.0
Open Enrollment/Tuition In	236.0	237.0	186.0	141.0
Open Enrollment/Tuition Out	172.8	148.7	131.8	125.4
Certified Resident Enrollment	3,562.8	3,023.7	2,713.8	2,385.4

* No Data Available

Source: District records

1999	1998	1997	1996	1995	1994
*	*	*	*	*	*
243	180	151	144	123	127
187	173	161	135	139	106
189	178	138	147	117	111
190	148	152	118	128	114
161	149	130	123	125	110
163	133	138	126	123	99
155	153	128	132	122	108
157	145	141	126	116	105
154	142	126	124	110	112
146	134	125	101	116	94
142	129	109	111	95	73
123	113	118	99	74	97
110	124	101	66	88	67
2,120.0	1,901.0	1,718.0	1,552.0	1,476.0	1,323.0
159.0	135.1	102.1	87.1	66.0	56.0
122.0	110.8	80.0	100.0	81.6	58.9
2,083.0	1,876.7	1,695.9	1,564.9	1,491.6	1,325.9

WAUKEE COMMUNITY SCHOOL DISTRICT

OPERATING COST PER PUPIL

Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Total Costs*</u>	<u>Daily Membership</u>	<u>Operating Cost per Pupil</u>
2003-04	\$ 21,121,982	3,685	\$ 5,732
2002-03	18,337,958	3,138	5,844
2001-02	16,349,386	2,801	5,837
2000-01	14,279,896	2,461	5,802
1999-00	12,220,417	2,160	5,658
1998-99	10,549,191	1,840	5,733
1997-98	9,084,867	1,654	5,493
1996-97	7,944,596	1,481	5,364
1995-96	6,551,891	1,406	4,660
1994-95	5,703,412	1,272	4,484

* Includes only General Fund Expenditures

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

TAX RATES BY FUND

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General	Management	PPEL	Debt Service	Total
2003-04	\$ 11.69320	\$ 0.25168	\$ 1.67000	\$ 4.04952	\$ 17.66440
2002-03	11.97257	0.25115	1.67000	3.75576	17.64948
2001-02	11.50340	0.25244	1.67000	4.03755	17.46339
2000-01	11.49978	0.26197	1.67000	4.05000	17.48175
1999-00	11.40850	0.21313	1.67000	4.05000	17.34163
1998-99	12.25670	0.22386	1.00000	3.49107	16.97163
1997-98	12.04646	0.12715	1.00000	3.69605	16.86966
1996-97	11.73355	0.08482	1.00000	3.34455	16.16292
1995-96	12.68769	0.27571	1.00000	2.31077	16.27417
1994-95	12.80651	0.32727	1.00000	2.84078	16.97456

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

RATIOS OF FINANCIAL CONDITION

Last Ten Fiscal Years
(Unaudited)

	Year Ended June 30,			
	2004	2003	2002	2001
Days net Cash Ratio	56.9	56.8	37.7	43.4
$\frac{\text{cash}}{\text{average daily disbursements}}$				
Increased Revenue versus Increased Expenditures	0.63	1.58	0.77	0.68
$\frac{\text{current year revenue minus prior year revenue}}{\text{current year expenditures minus prior year expenditures}}$				
Financial Solvency Ratios	5.597 %	6.169 %	1.107 %	1.986 %
$\frac{\text{current year UD, UR Fund Balance}^*}{\text{current year actual revenue}}$				

* UD, UR = Undesignated, Unreserved

Source: District records

2000	1999	1998	1997	1996	1995
59.2	57.8	55.5	53.4	21.4	23.8
1.56	0.93	0.86	1.01	2.02	0.67
7.022 %	6.751 %	7.089 %	5.638 %	3.934 %	-1.367 %

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF GROWTH IN GENERAL FUND REVENUE, EXPENDITURES,
ENROLLMENT, ASSESSED VALUATION AND TAX RATE

Last Ten Fiscal Years
(Unaudited)

Year Ended June 30,	Revenue	Growth	Expenditures	Growth	Enrollment	Growth
2004	\$ 21,099,617	8.96 %	\$ 21,121,982	15.18 %	3,562.8	17.83 %
2003	19,364,073	19.42	18,337,958	12.16	3,023.7	11.42
2002	16,215,170	18.76	16,349,386	14.49	2,713.8	13.77
2001	13,653,762	9.19	14,279,896	16.85	2,385.4	14.52
2000	12,504,971	18.58	12,220,417	15.84	2,083.0	11.53
1999	10,545,945	13.87	10,549,191	16.12	1,867.7	10.13
1998	9,261,326	11.66	9,084,867	14.35	1,695.9	8.37
1997	8,294,137	20.52	7,944,596	21.26	1,564.9	4.91
1996	6,882,066	20.51	6,551,891	14.88	1,491.6	12.50
1995	5,710,867	12.16	5,703,412	17.52	1,325.9	14.26

* = Does not include tax increment financing (TIF) valuations.

Source: District records

<u>Assessed Value*</u>	<u>Growth</u>	<u>Tax Rate</u>	<u>Growth</u>
\$ 715,197,303	8.86 %	\$ 11.69320	-2.33 %
656,966,876	18.46	11.97257	4.08
554,596,339	21.07	11.50340	0.03
458,079,902	8.48	11.49978	0.80
422,277,389	18.15	11.40850	-6.92
357,410,386	13.61	12.25670	1.75
314,587,465	6.71	12.04646	2.67
294,815,661	8.22	11.73355	-7.38
272,423,022	48.59	12.66904	-1.07
183,332,757	21.16	12.80651	-1.91

WAUKEE COMMUNITY SCHOOL DISTRICT
TAXABLE ASSESSED VALUATION BY PROPERTY TYPE*

Last Ten Fiscal Years
(Unaudited)

Collection Year	2004		2003		2002	
Residential	\$ 416,743,673	58.2 %	\$ 385,758,428	58.7 %	\$ 343,169,499	61.9 %
Agricultural	22,181,850	3.1	22,470,600	3.4	22,591,480	4.1
Commercial	250,761,836	35.0	221,993,653	33.8	159,965,881	28.8
Industrial	4,564,480	0.6	4,452,610	0.7	4,319,690	0.8
Personal	-	-	742,846	0.1	6,503,826	1.2
Railroads	2,334,361	0.3	2,084,530	0.3	1,955,070	0.4
Utilities w/o Gas & Electric	12,181,126	1.7	12,974,345	2.0	9,564,871	1.7
Gas & Electric	<u>7,517,646</u>	1.1	<u>7,526,984</u>	1.1	<u>7,557,884</u>	1.4
Sub-Total	716,284,972		658,003,996		555,628,201	
(Military Credit)	<u>(1,087,669)</u>		<u>(1,037,120)</u>		<u>(1,031,862)</u>	
Totals	\$ <u><u>715,197,303</u></u>		\$ <u><u>656,966,876</u></u>		\$ <u><u>554,596,339</u></u>	

* Does not include TIF Valuation

Source: County Auditor and District records

2001		2000		1999		1998	
\$ 262,101,456	57.2 %	\$ 231,838,458	54.9 %	\$ 202,424,528	57.0 %	\$ 161,774,555	50.0 %
22,083,027	3.4	21,276,910	5.0	20,673,726	5.8	29,473,274	9.1
147,944,604	22.5	141,742,851	33.6	101,577,343	28.6	102,751,772	31.8
4,186,760	0.6	3,969,890	0.9	3,974,870	1.1	3,835,160	1.2
7,654,857	1.2	8,430,119	2.0	10,398,704	2.9	10,498,240	3.2
-	-	-	-	-	-	-	-
15,100,018	2.3	15,966,459	3.8	17,249,249	4.9	16,023,970	5.0
-	-	-	-	-	-	-	-
459,070,722		423,224,687		356,298,420		324,356,971	
(990,820)		(947,298)		(888,034)		(769,506)	
<u>\$ 458,079,902</u>		<u>\$ 422,277,389</u>		<u>\$ 355,410,386</u>		<u>\$ 323,587,465</u>	

WAUKEE COMMUNITY SCHOOL DISTRICT
TAXABLE ASSESSED VALUATION BY PROPERTY TYPE*

Last Ten Fiscal Years
(Unaudited)

Collection Year	1997		1996		1995	
Residential	\$ 152,388,412	51.7 %	\$ 137,434,969	50.4 %	\$ 121,572,309	66.3 %
Agricultural	20,844,068	7.1	20,612,448	7.6	20,690,377	11.3
Commercial	93,909,577	31.9	87,181,343	32.0	26,038,442	14.2
Industrial	3,446,516	1.2	3,057,872	1.1	3,485,425	1.9
Personal	10,499,686	3.6	10,510,459	3.9	509,982	0.3
Railroads	-	-	-	-	-	-
Utilities w/o Gas & Electric	14,499,686	4.9	14,350,063	5.3	11,771,446	6.4
Gas & Electric	<u>-</u>	-	<u>-</u>	-	<u>-</u>	-
Sub-Total	295,587,945		273,147,154		184,067,981	
(Military Credit)	<u>(772,284)</u>		<u>(724,132)</u>		<u>(735,244)</u>	
Totals	<u>\$ 294,815,661</u>		<u>\$ 272,423,022</u>		<u>\$ 183,332,737</u>	

* Does not include TIF Valuation

Source: County Auditor

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WAUKEE COMMUNITY SCHOOL DISTRICT
GOVERNMENT-WIDE REVENUES BY SOURCE

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Program Revenues			General
	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Taxes
2004	\$ 3,232,541	\$ 2,201,721	\$ -	\$ 14,224,212
*2003	2,914,045	1,988,672	-	12,481,271

* Fiscal year 2003 was the first year of government-wide financial statements

Source: District records

Revenues				
Other Local Sources		State Sources	Investment Earnings	Total
\$	68,942	\$ 9,242,108	\$ 90,407	\$ 29,059,931
	106,411	8,119,410	248,975	25,858,784

WAUKEE COMMUNITY SCHOOL DISTRICT
GOVERNMENT-WIDE EXPENDITURES BY FUNCTION

Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Expenditure Function				Total
	Instruction	Support Services	Non- Instructional Programs	Other Expenditures	
2004	\$ 14,226,865	\$ 6,766,317	\$ 1,346,406	\$ 4,399,338	\$ 26,738,926
*2003	12,850,667	5,366,904	1,184,665	4,130,382	23,532,618

* Fiscal year 2003 was the first year of government-wide financial statements

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT
IOWA SCHOOL CASH ANTICIPATION PROGRAM (ISCAP)

Last Ten Fiscal Years
(Unaudited)

<u>Year Ended June 30,</u>	<u>Principal of Certificates Issued</u>
2003-04	\$ 0
2002-03	2,275,000
2001-02	2,049,000
2000-01	1,433,000
1999-00	945,000
1998-99	865,000
1997-98	955,000
1996-97	1,010,000
1995-96	1,610,000
1994-95	1,290,000

Source: District records

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